FINANCIAL TIMES

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NEWS SUMMARY

GENERAL

Amin in new call to Queen

President Amin yesterday sent a second message to the Queen demanding that Mr. Callaghan, the Foreign Secretary, visit Uganda before July 4. Otherwise, he said, *British lecturer Dennis Hills* would be executed.

Earlier the Queen's special emissaries, Lt.-Gen. Sir Chandos Blair and Major Iain Grahame, arrived back in London from Uganda, bearing a sealed letter *from Gen. Amin with a similar* message.

Uganda Radio quoted the President as claiming that Gen. Blair said "British troops might invade" and that he "acted as if he were the boss, the "bwana mkubwa" (big man) like "the British in the colonial era."

UN Secretary-General Kurt Waldheim was ready to seek clemency for Mr. Hills, said a UN spokesman.

UVF threat to Catholics

The Ulster Volunteer Force said it would "*take action*" against the mainly Catholic Social Democratic and Labour Party if any UVF members were interned or attacked because of allegations by Mr. Paddy Devlin, a leading SDLP member.

Seamus Costello, leader of the breakaway Irish Republican *Socialist Party, was arrested near* Dublin. The group has denied responsibility for a bomb attempt on a train carrying Official IRA

U.S. plane crash

An American Eastern Airlines Boeing crashed near Kennedy Airport, New York, last night. Early reports said 40 were feared dead.

Defeat in Lords

The Government was defeated in the Lords last night 86-68 on the *Bill to set up the Welsh Development Agency*. A Tory amendment struck out the section making promotion of "industrial democracy" a function of the Board. Page 14

Prentice prospects

Overseas Development Minister Reg Prentice said he believed the "crunch decision" on his future as MP for Newham North-East, to be taken next month, "could go either way."

New Diaries writ

The Sunday Times said yesterday it had been served with a writ *by the Attorney-General over the* Crossman Diaries. A spokesman said it sought to prevent further publication of extracts about Cabinet meetings and briefings of civil servants, and to have further extracts submitted to the Cabinet Secretary

Mortgages eased

Larger motrgages from building *societies are expected to become* more easily available because of a Government decision to raise the special advance mortgage ceiling to £20,000. **Back Page**

Briefly . . .

Lord Shinwell, 90, was admitted to the Middlesex Hospital last *night after Lady Shinwell* returned to their St. John's Wood home and found him lying on the floor.

Lincoln Diocese will cut its full-time clery strength from 380 to 252 in five years because of inflation.

Soviet sergeant who raised the red flag over the Reichstag when Berlin was stormed in April 1945, has been killed in a car crash, said Tass. He was Mikhail Yegorov, 52.

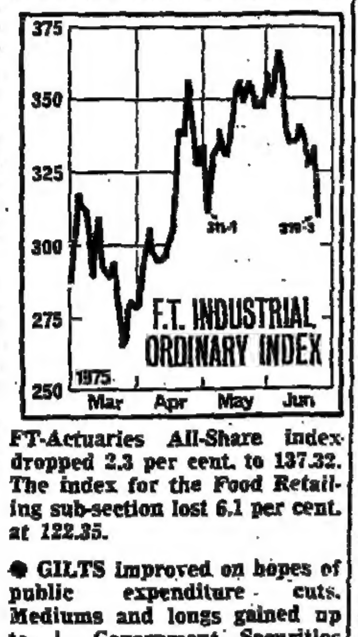
U.S. Marine John Atkinson, 19, was jailed for life at Oban for clubbing to death John Campbell, 87, after "an exchange of words" *between U.S. Servicemen and* youths.

Wimbledon—Arthur Ashe beat Bob Hewitt 7—5, 3—6, 6—2, 6—4; Chris Evert beat Chris O'Neill 6—0, 6—2. Page 11

BUSINESS

Equities lose 8.5; gilts up again

● *EQUITIES met persistent* selling, though closing prices were slightly above the day's worst. The FT 30-share index ended 8.5 lower at 310.3. The



FT-Actuaries All-Share index dropped 2.3 per cent. to 137.32. The index for the *Food Retailing* sub-section lost 6.1 per cent. at 122.35.

● **GILTS** improved on hopes of public expenditure cuts. Mediums and longs gained up to ¼. Government Securities index rose 0.23 to 58.55.

● **STERLING** lost 135 points at $2.2585, *while its weighted fall* widened to a new low of 26.7 per cent. (26.2). Dollar's was 6.56 (6.57). French franc's *weighted appreciation improved* to 7.43 (7.38) while the yen's *fall continued at 0.83* (0.70).

● **GOLD** rose 25c to $162¼.

● **WALL STREET** closed 4.23 *higher at 869.06*, after being more than nine points up, on *turnover of 26.62m.* (20.72m.) shares.

Maoist to oust Boyd from TUC

● **MAOIST** leader Mr. Reg Birch is being nominated to replace the Right-wing Mr. John Boyd on the TUC general council by the Amalgamated Union of Engineering Workers.
Back Page

● **BRITISH STEEL**, after reaching a formula to end the Port Talbot strike, warned that the economy drive agreed with the unions last month had to be stepped up as its order books and cash flow position were *worsening*.
Back Page

● **CHRYSLER U.K.** lay-off pay dispute, which looked like bringing *all car production to a halt*, making many of the 20,000 assembly workers idle, is to go to arbitration.
Back Page

● **MR. WILSON** and Industry Secretary Eric Varley are to give a joint Press conference this afternoon to explain the Government's amendments to the Industry Bill.

● **SIG. GUIDO CARLI**, Governor of the Bank of Italy for the past 15 years, tendered his resignation.
Page 6

● **MARSHALL-FOWLER**, one of the few British-owned manufacturers of crawler tractors, is to *be closed down, affecting about* 1,000 jobs.
Page 8

● **IRISH GOVERNMENT** is expected to reject calls for a statutory wages freeze in its package of economic measures to-morrow.

COMPANIES

● **ALLIED BREWERIES** pre-tax profits in the 32 weeks to May 10 dropped by £2.7m. to £34.03m., reflecting a £3m. increase in finance charges.
Page 21 and Lex

● **DAWSONS INTERNATIONAL** pre-tax profit in the year to March 31 slumped to *£0.5m. (£6.24m.) owing to a* severe fall in worldwide demand for woollen goods.
Page 19 and Lex

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise *indicated.*)

RISES		
Anglia TV 'A'	68½	+ 4½
EZ Inds.	225	+ 15
Kloof	£11¼	+ ¼
Pancontinental	325	+ 10
Utah Mining Aust.	725	+ 50
FALLS		
Assoc. P. Cement	135	− 6
Blackwood Hodge	127	− 7
Bowater	155	− 5
Bats	305	− 10
Brockhouse	130	− 8
Cavenham	118	− 9
Commercial Union	156	− 6
Davis (Godfrey)	30	− 4½
Glaxo 'New'	136*	− 10
GUS 'A'	165	− 6
Guardian Rl. Exchng.	188	− 11
Hawker Siddeley	258	− 8
Highgate and Job	85	− 9
Hillards	72	− 11
ICI	263	− 9
Johnson Matthey	275	− 10
Marks and Spencer	201	− 8
Metal Box	236	− 20
Myson	66	− 6
Reardon Smith 'A'	190	− 18
Reckitt and Colman	305	− 16
Sainsbury (J.)	143	− 9
Stock Conversion	143	− 9
Sun Alliance	392	− 11
Taylor Woodrow	293	− 13
Tesco	41	− 3½
Thomson Org.	182	− 8
Walmsley (Bury)	27	− 7
Wedgwood	148	− 14
Wilkinson Match	130	− 6
Berry Wiggins	74	− 6
Ultramar	194	− 6
Botswana RST	102	− 8
Tanganyika Co.	192	− 9

Wilson hoping to speed up package to curb inflation

BY JOHN BOURNE, LOBBY EDITOR

The Prime Minister yesterday proclaimed the Government's sense of urgency about the economic situation by saying that he hoped its anti-inflation measures would be announced "considerably quicker" than the six week time-table mentioned by the Chancellor of the Exchequer at the week-end.

In any case, he told MPs in the Commons, the measures would be announced before Parliament rose for the summer recess. The Government's target date for the *beginning of* the recess is understood to be August 1.

Pressed by Mrs. Margaret Thatcher, the Conservative leader, Mr. Wilson said it was important to get the measures right and "*on the basis of consent and consensus.*"

His *remarks*, the first of which was greeted with gasps of surprise from a few MPs, were aimed to serve two purposes. The first was to demonstrate *that he and the Chancellor*, Mr. Denis Healey, are now both *eager to announce a workable* policy against inflation as soon as possible.

Not so long ago Treasury Ministers were thinking in terms of giving the TUC until later next month to agree to toughen *up its guidelines for wage increases*. The second purpose was to remind the union leaders publicly of the need for the TUC General Council to agree a its meeting to-day on the shape of the new guidelines and ways of making them effective.

The Chancellor rammed the *point home last night in a party* political broadcast.

He said that Britain could not wait to bring its wage increases back into line with those in other countries. It could not wait until new industrial investment was paying off in terms of higher productivity to get inflation under control.

"*The housewife and the pensioner can't wait*. And foreigners who are now backing Britain with their money won't wait. As I said the other day, we have now under six weeks to produce a policy which will guarantee to get *inflation down to single* figures by the end of next year. *Six weeks at the outside.*"

TUC to study flat-rate pay norm arguments. Page 11
Editorial comment, Page 16
Price controls feature, Page 17

Mr. Wilson's and Mr. Healey's new urgency over the economic situation has been created by the continued slide of the pound and the need to convince overseas opinion that the Government has *an effective policy to combat inflation.*

Ministers hope to know by to-night whether the Government has a chance of meeting the Chancellor's target of reducing by more than half the rate of inflation next year without having to introduce a statutory pay *policy or sweeping public* expenditure cuts. Ministers know that the last two would spell disaster for the Government in the Labour party.

If to-day's discussions by the TUC do not show sufficient progress, the Chancellor will probably decide to shorten his six weeks time-table.

Ministers are preparing a fall-back position if there is no hope of curbing wage demands by voluntary agreement. The measures they are considering would be aimed at both the private and public sectors of *industry*. In the *private sector*, the penalty now under active discussion would be an amendment to the Prices Code to ensure that companies would be unable to *pass on any excessive* wage increases by raising prices.

In the public sector, the government would deprive nationalised industries and local authorities of money to pay for excessive wage demands.

Some Labour MPs yesterday regarded such a solution as *having considerable political* attractions. The first was that it would avoid a statutory incomes policy, to which the party was opposed in its last election manifesto. Second, by using the Prices Code to police wage *settlements*, the Government would have a more reliable weapon than anything it is likely to be given by the TUC.

Mr. Healey in his national broadcast last night said that getting on top of inflation was the one area where Britain was

Continued on Back Page

Mrs. Gandhi's prestige suffers second setback

BY K. K. SHARMA

THE PRESTIGE of Mrs. Indira *Gandhi, India's Prime Minister*, took a second blow yesterday when a Supreme Court judge turned down her aplication for an absolute stay of execution of the Allahabad High Court order which unseated her from Parliament and barred her from elective office for six years.

Instead the judge, Mr. V. R. Krishna Iyer, granted a conditional stay under which Mrs. Gandhi can remain Prime Minister, but with her voting rights in Parliament suspended until her appeal to the Supreme Court *is finally disposed of*. Hearing of the appeal begins on July 14 *and could take some months to be* completed.

The *refusal to grant* an absolute stay, which Mrs. Gandhi's counsel on Monday said was essential for her political future, led to further pressure on her to quit the Prime Ministership on the ground that her *standing in the country has considerably diminished.*

Mrs. Gandhi has been *allowed* by the judge to speak in Parliament and continue to function as Prime Minister in the two Houses, suspending only her right to vote. But this effectively tarnishes her image, which was first bruised when the High Court *convicted her of corrupt election* practices.

It remains to be seen now whether Mrs. Gandhi will call the annual "monsoon" session of Parliament which usually begins in the middle of July. The *Constitution allows a maximum* interval of six months to elapse between two sessions, and the last Parliament sitting ended early in May. Mrs. Gandhi need not, therefore, call the next session until November. But this will leave her open to the charge that she is afraid to face Parliament *because of the High Court's order* and the Supreme Court's conditional stay.

Unprecedented

No notice has yet been given for the "monsoon" session and it is believed that Mrs. Gandhi was waiting for the Supreme Court's ruling on her application for an absolute stay of the High Court judgment before she took a decision. I she decides against *the holding of the session, it will* be an unprecedented move, since such a session has always been held, even during periods of national emergency. Several important legislative measures are awaiting consideration.

The campaign for Mrs. Gandhi's *resignation is being led by* Mr. Jaya Prakash Narayan, the "Sarvodaya" (soul force) leader who has organised a nationwide movement against corruption. He arrived in New Delhi on Monday and has been meeting *Opposition leaders who are* expected to insist that a "*monsoon*" session be held. Should this be agreed to, it is certain that Mrs. Gandhi will face a no-confidence motion which will almost certainly fail.

The Congress can be expected to organise mass demonstrations (as on Monday) in support of Mrs. Gandhi. These need not necessarily mean that Mrs. Gandhi still has the popular support she commanded when she was swept to power in the 1971 general election; the Congress can hold mass demonstrations since it has the money and the *machinery to organise them.*

The setback to Mrs. Gandhi has, in fact, come at a time when her popularity has demonstrably been on the decline — as proved by the recent Gujarat elections. Worse, from her point of view, is *the fact that the next general* elections are only nine or ten months away.

Editorial Comment, Page 16

Metal Box £24m. rights issue

BY MARGARET REID

METAL BOX, the can-making *group, yesterday became the* latest large company to tap the stock market for new capital when it launched a £24m. rights issue. The operation brought the total of these issues so far this year to £680m., close to the *record of £686m. set in 1972.*

The issue is of 11.5m. Ordinary shares, on a one-for-four basis, at 210p a share.

In announcing it, the Board, whose chairman is Mr. Alexander Page, said that preliminary trad*ing results for* the first two months of the current year had been below expectation.

It added that at this time of general economic and trading uncertainty, it would be unwise to make a prediction for the year 1975-76, which it believed would be one of consolidation in preparation for the next step *forward*. In 1974-75, pre-tax profit rose to £36.7m. from £29.9m.

Shareholders are, however, offered the consolation of a con*siderable rise in the dividend*, which is to be lifted on the enlarged capital by *some 20 per* cent., to the equivalent of 18.6p a share gross.

The forecast increase has been approved by the Treasury, which *permits companies making rights* issues to boost their distribution by more than the normal 12½ per cent. limit. The shares closed 20p down at 236p last night.

Capital expenditure by the group in 1974-75 was £35.5m., of which £22m. was spent in the U.K. Capital commitments at *March 31, 1975, were £28.4m.* and the Board, while satisfied that the group has sufficient *resources and facilities for its* normal business in the foreseeable future, considers the equity base should be broadened to support the major investment programme.

Much of the capital outlay *relates to equipment for the* manufacture of two-piece cans.

Baring Brothers, the merchant bank, said last night that underwriting of the issue had been completed. Brokers are James Capel and J. and A. Scrimgeour.

In his annual statement circulated to shareholders with the report and accounts yesterday, Mr. Page confirms that the entire shareholding of the Continental Can, the U.S. group, in Metal Box has been sold. The interest, some *5 per cent., was placed with 22* institutions.

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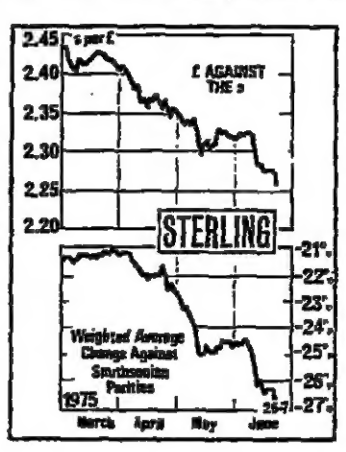
Pound under heavy pressure

By William Keegan, Economics Correspondent

THE POUND plunged 0.5 per cent. yesterday to close at a new low of 26.7 per cent. below December, 1971, levels as wide*spread* concern about U.K. inflation brought sterling under heavy pressure.

There was sustained selling for most of the day—much of it *from Continental centres*—with the situation easing a little after the Prime Minister's promise in the Commons on emergency anti-inflationary measures before the summer recess.

The Bank of England is *thought to have made only the* most modest attempt to steady the rate. The basic picture was one of a sharp *slide* which the authorities did virtually nothing to arrest.



Although it is the lowest level at which the sterling rate has ever closed, the previous low being 26.5 per cent. last week, the rate opened at 26.7 per cent. a week ago yesterday.

In terms of the U.S. dollar—which was itself boosted for a time yesterday by a rise in U.S. interest rates and optimistic statements about the U.S. economy—sterling closed at $2.2585 yesterday against $2.2720 on *Monday*.

The rail pay settlement of 30 per cent., *and the large gap* between TUC thinking and official Government targets on inflation, are two of the factors which have added to the exchange markets' concern about U.K. inflation this week.

"Sterling is not exactly helped by any news at the *moment*—*people just want to see* some firm measures," commented one leading London foreign exchange dealer last night.

£ in New York

--	June 24	Previous
Spot	$2.2610-2.2620	$2.2715-2725
1 month	0.68-0.62 dis	0.65-0.55 dis
3 months	2.05-2.00 dis	2.40-2.35 dis
12 months	8.75-8.65 dis	10.20-10.10 dis

CBI and TUC make some progress

BY JOHN ELLIOTT, LABOUR EDITOR

TUC AND CBI leaders last night agreed that pay and price targets should be set for the coming year. *But they failed to come* to any firm decision about how large these targets should be or how they should be enforced.

This tentative step forward in the rapprochement between the *leaders of both sides of industry* started last week came after more than two hours of talks last night which are to be continued later.

But there was no sign at the end of the meeting, which was followed by dinner at the TUC's headquarters, of any great urgency to arrange the next meeting. It therefore remains to be *seen* how this fits in with the Government's increasing determination to arrange new policies soon.

No figures were discussed last *night nor was the CBI's opposition* to increased price restraint allowed to interfere with the co-operation which both sides were determined to convey.

A statement issued after the talks set the target of bringing *about a substantial reduction in* the rate of inflation so that real national income could begin to grow again while living standards and employment were maintained.

"Both sides believe that pay *and price targets should be set* for the critical 12-month period of the next round of negotiations so that during this period a phased reduction in the rate of increases in prices can be achieved and employment pro*tected,*" said a *joint statement*.

Now both sides are to consult their *governing bodies* and will then meet again, assuming that both are given the authority for more talks. But other commitments, including European union business involving Mr. Len Murray of the TUC and *Mr. Jack Jones' departure to-day* for Blackpool where his annual conference takes place next week, seem likely to delay any *early meeting.*

The significance of last night's talks, however, is that the TUC and CBI were prepared jointly to agree and then to announce publicly their commitment to the principle of fixing the pay and *price targets.*

Too much however cannot be read *into this because* the CBI has already committed itself in a policy document to a rolling three-year price stabilisation programme involving wage and price targets. The TUC's economic committee has also helped prepare union plans for such targets covering the next year envisaging the annual rate of price increases being brought down to somewhere between 10 to 20 per cent.

Now the TUC general council meets this morning for its most crucial talks since the social contract was first drawn up and turned into wage guidelines a year ago. A major debate will *take place* in the TUC's council chamber covering the future of the talks with the CBI as well as basic policy proposals which have emerged from the economic committee.

These include the ideas of Mr. *Jack Jones of the Transport* Workers for a basic flat-rate increase as a pay norm plus the more basic and controversial proposal of pegging the level of pay rises below a falling rate of price increases. Although this idea *has been tacitly approved by* many union leaders it has not come up at the general council before.

To-day's meeting will therefore set the scene for future developments on a voluntary pay and price policy and may lead to the TUC Economic Committee *holding another urgent meeting*

£125,000 for ex-director

BY MARGARET REID

A "GOLDEN HANDSHAKE" of £125,000 has been made to a former director of Hill Samuel Group, the merchant banking concern, it is disclosed in the *annual report and accounts.*

The payment was made to Mr. Juan de Liedekerke, a Belgian who had been in charge of the group's international banking side and who left at the end of 1974. A note to the accounts *states: "During the year an ex gratia* payment of £125,000 was made to a director by a group subsidiary on his leaving the group's service."

Mr. Robert Clark, a deputy chairman of the group, said last *night: "Mr. de Liedekerke had* a contractual arrangement with us and this was terminated by mutual consent and our obligation was to pay this amount." He added that Mr. de Liedekerke, who was formely with an *American investment banking* and broking concern, had been with Hill Samuel for some two years, did not wish to continue working in Britain.

Mr. Clark also said that there was no connection between Mr. *de Liedekerke's leaving Hill* Samuel and the loss suffered by the group as a result of an uncompleted foreign exchange deal at the time of the ID Herstattbank's collapse in Germany.

The original loss on this *account has been reduced* by a recent settlement to £600,000.

LOMBARD

Husbanding our North Sea oil

BY C. GORDON TETHER

THE FACT that Mr. Walker, the former Secretary for Trade and Industry, saw nothing wrong in calling recently for the sale of a third of Britain's North Sea oil reserves in order to raise money for promoting other sectors of the economy shows how essential it is that, from now on, there should be the fullest public debate on all official plans for utilising these resources *before* any firm commitments are made.

For they belong to future as well as the present generation of Britons. And the nation has a right to demand that every precaution is taken to ensure that politicians are not allowed to treat the public's interests in the matter as of less importance than the indulgence of short-term political considerations of their own.

Mr. Walker's theme was that disposing of a third of the North Sea oil deposits would still leave us with such large quantities that we would suffer no inconvenience. In reality, of course, even the most optimistic assessments of these reserves do not suggest that they would go on covering Britain's needs much beyond the end of the present century, if as far. And it is still far from certain that the world supply situation for fuel won't continue to worsen between now and then. So we have a clear duty to future generations to keep this part of their birthright intact.

No necessity

In any case, we possess in the City one of the largest and most active capital markets in the world. So there is nothing to prevent us mobilising all the finance needed to support other desirable forms of development without going to the lengths of liquidating another large chunk of such assets as we still possess—if necessary turning, as other countries do in such circumstances, to the Euro-currency market.

It has, in any event, to be remembered that a significant part of the benefit the nation could have expected to derive from the exploitation of its North Sea oil reserves has already been effectively put beyond its reach in two ways. The first arises from the policy of allowing the major part of the development work to be undertaken by foreign concerns, which accordingly become entitled to collect a considerable share of the profit.

The other stems from the official decision to regard the forthcoming "oil bonanza" as justification for not striving to close the massive payments gap the country has developed in recent years — thereby increasing foreign indebtedness to an extent that is destined to mortgage a notable part of the prospective balance of payments gain on North Sea oil.

If the study of Britain in the 1980s recently published by the Henley Centre for Forecasting is right in saying that the most that North Sea oil and gas production is likely to produce in terms of a boost to British growth is an addition of 1 per cent. per annum to the national income from 1980 onwards, one thing is clear. It is that we have to follow a policy of husbanding these resources with the greatest care from now on for fear of finding that the goose we were counting upon to provide a never-ending flow of golden eggs has prematurely died on our hands.

And that brings me to an important question raised by the tone of much City and Press comment on the developing debate about the terms on which the State shall be allowed to take a larger share in North Sea development through participation in the activities of the oil companies already operating there. Is such comment not doing a disservice to the public by fostering the impression that the Government would be wrong to adopt a tough attitude in these talks?

Toughness

The concern that Mr. Anthony Wedgwood Benn's transfer to the Ministry for Energy caused in the City, one commentator remarked — typically — subsided when it was explained that Mr. Harold Lever, the Prime Minister's right hand man in Downing Street, and Mr. Dell, the Paymaster General, would remain in charge of the "participation negotiations" with the oil companies.

There is no doubt, as one of our U.S. correspondents was pointing out earlier this year, that Mr. Lever gets on extremely well with the American oil tycoons who are heavily involved in the exploitation of our North Sea resources. But that is not, by itself, necessarily the surest proof that the negotiations are going to reach a settlement that is in the best interests of the British people.

Obviously, now that so much depends on North Sea oil becoming available on schedule, it is important for the State to have relations with the oil companies that will be sufficiently conducive to ensure that it does. But, subject to that, the tougher the deal the Government can make, the better it will be from the public's point of view. And this is why it is important that all questions that touch so closely on the future of this great national asset should be fully discussed in public before any irrevocable commitments are made.

RACING BY DOMINIC WIGAN

Aintree programme cuts up

WITH THE Aintree course officially riding hard, to-day's programme there has, not surprisingly, cut up badly, leaving a total of only 31 runners competing for the six races.

The most severely hit race is the one mile Formby Hills Handicap for which there is £1,000 in added prize money. Here, Mr. David Robinson's *Dubello* will be trying to concede 23 lbs to his sole rival, The Opportunist.

Although The Opportunist, ridden by that accomplished apprentice Richard Fox, who still claims the 5 lbs allowance, would have a good chance on his best form, he has made little show in his three races this term. I doubt him holding Dubello, twice a winner on firm ground last year.

Thirty minutes later, Dubello's trainer, Michael Jarvis, will be hoping that *Balipet*, another useful performer he trains for Mr. Robinson, can deal with Mujon, Red Dawn and Atrek, his only opponents in the Exchange Handicap.

Balipet, a powerfully-made son of Bolkonski's sire, Balidar, showed much improved form when holding off Euston, to whom he was giving 3 lbs in a six furlong maiden event at Pontefract towards the end of last month. I anticipate him following up without too much fuss. The six-year-old Mujon, who has been running well nearly all season, seems likely to provide the forecast.

Bernhard van Cutsem usually does well with the few runners he sends up from Newmarket's Stanley stables and I am hopeful that *Huntsman's Leap* can add to his record here by taking the Moss Bank Plate (5.0).

This half-brother by Welsh Pageant to Coral Beach, bred by his owner Lord Derby, for whom Coral Beach won the Cheshire Oaks, showed speed for a long way on his only previous appearance when finishing unplaced behind Patrice at Newmarket.

He is sure to have come on a good deal as a result of that outing and ought to dispose of some moderate opponents.

Turning south to Salisbury, where *Rio Alta* can regain winning form in the Gwen Blagrave Memorial Stakes. Another of Captain Ryan Price's representatives, the well-handicapped *Busted Fiddle*, appeals as a good bet for the Wiltshire course's oldest race, the 1½ mile Bibury Handicap.

Looking ahead to Saturday's Irish Sweeps Derby at the Curragh for which prize money is expected to exceed £100,000—there now seems likely to be 17 runners, with five—Grundy, Anne's Pretender, Sea Anchor, Hobnob and Marco Ricci—challenging from England.

Grundy, bidding to add to his impressive Epsom Derby triumph, remains an 11—8 on favourite with most firms to achieve the double, with Lester Piggott's mount, King Pellinore, at 6—1, the heavily-backed Sea Anchor down to 7—1 from 10—1, and France's Maitland out a point to 8—1.

Despite persistent watering of the course, which will end to-morrow, the going seems sure to be fast. This may result in Sea Break—at one time a 5—1 favourite for the Epsom Derby—being pulled out.

SALISBURY
2.15—Queesy
2.45—Busted Fiddle
3.15—Rio Alta**
3.45—Trustful
4.15—Survival
4.45—Light Link
5.15—Sea Rose
5.45—Dred Scott

LIVERPOOL
2.30—Go About
3.00—Jacanta
3.30—Dubello*
4.00—Balipet***
4.30—High Blaze
5.00—Huntsman's Leap

RIPON
7.00—Blue Baron
7.25—Easby Saint

SALEROOM BY ANTONY THORNCROFT

Snuff box goes for £10,500

A DRESDEN mother-of-pearl encrusted rectangular gold snuff box, decorated with chinoiserie figures and dating from around 1760, was sold for £10,500 at Christie's yesterday. It was the star item in a sale of miniatures, gold boxes, and objets of vertu, which totalled £125,303.

Among the other good prices was the £8,925 paid by a private buyer for a Louis XV oval enamelled gold snuff box by Charles Le Bastier, made in Paris in 1768. The same buyer gave £8,400 for a George III enamelled gold snuff box, inset with a miniature of two ladies by Richard Cosway.

A Swiss rectangular vari-coloured gold singing bird box by Frères Rochat, of around 1810, sold for £5,775, while a circular gold snuff-box by A. J. Strachan went to Lavender for £3,675. Among the miniatures on offer were a tiny portrait of the Empress Maria Louise by Jean Baptiste Isabey, which was sold for £3,150, and a miniature of Mrs. Wentworth by John Smart which fetched £1,470.

There was also a successful sale of Japanese netsuke, totalling £44,552. An ivory netsuke of a seated dog playing with a spinning top signed by Tomotada was bought for £3,040 by Douglas Wright, while a netsuke of a ghost of a woman, signed Seishu, was bought for £2,100 by the same buyer.

Sotheby's continued with its sale of books and letters, adding £52,479 for a two-day total of £277,967. An album compiled by Sir Michael Balfour, first Lord Balfour of Burleigh, between 1596 and 1610 and known as the Album Amicorum, was bought by Quaritch for £4,200 (estimate £2,000-£2,500). It contains autograph contributions from James VI, Anne of Denmark, and Henry, Prince of Wales.

A letter written by Lord Byron to James Hogg in 1816 also comfortably exceeded its estimate at £3,000, while a letter written by Jane Austen to her publisher John Murray commenting on a review of Emma (probably by Sir Walter Scott) was bought for £2,400, also above forecast. A manuscript by Burns of his poem "Scotch Song" was sold to Naggs for £2,400 (estimate £1,000-£1,500), and Charlotte Bronte's own copy of Wuthering Heights, with pencil corrections and alterations in her own hand, just beat its estimate of £2,200.

There was also a sale of Chinese snuff bottles where a new world record of £4,600 was established for an enamelled glass snuff bottle by Ku Yeh Hsuan. The previous record for a snuff bottle was £3,100 in 1971. An interior painted-portrait snuff bottle by Yeh Chung-San the Elder also beat the record, going for £3,600.

At Sotheby's Belgravia a sale of British prints realised £13,188, with one of the first edition of 24 mezzo tints by John Martin, published in 1827 and entitled "The Paradise Lost of Milton," fetched £620, the same price as a Whistler etching of Venice.

GARDENS TO-DAY

The paeony is most obliging

BY ROBIN LANE FOX

YOU ARE no doubt hardened to those claims that you can all enjoy something very beautiful for little effort and less cost, but the sight of a bed of Imperial paeonies outside a nearby station master's office reminds me both that the paeony is the most obliging of all flowers which are beautiful, and that the spirit of handsome economy is not altogether dead on British railways. I intend to copy the idea, as it is well suited to a north-facing garden with an incurably alkaline soil.

Cure for nightmare

The paeony, according to the Romans, was the oldest flower in the world. They were probably misled into believing this by a mistaken derivation of the plant from "paeon," a legendary Greek healer, a theory which was supported by the paeony's use in medicine, at its most harmless as a cure for nightmares when its seeds were mixed with wine.

Your paeonies may have their use over the next few years, but it is their wide and varied distribution as wild flowers which impresses me more. While the Romans were losing their hold over the herbaceous paeonies of Europe, Chinese gentlemen were already discussing the variations in the petals of the ruffled Moutan varieties.

The wild, native paeony of Britain is known nowadays as an escaped plant from monastic gardens, but the American and Siberian species are genuine and no keen Hellenic traveller will dispute the wild paeony of Rhodes, a graceful single-flowered white, or the paeonies of Crete and Cyprus.

I suppose it is many years since the loveliest of all, Paeony Mlokosewitchii, a single-flowered yellow whose monstrous name records its Russian discoverer, was visited in its native Caucasus. It can still be bought from Notcutts of Woodbridge, Suffolk, for under £2 and although its flowers die more rapidly than any known to me, they are worth the expense.

What, though, is an Imperial Paeony? Kelways of Langport, kings of the paeony for gardeners, apply this starting name to a group of lactiflora varieties, ultimately of tough Mongolian origin. They are single-flowered, I suppose, but a mass of pleasingly named "petaloids" contrast in the centre of the flower with the outer ring of elegant petals.

So you enjoy two colours from one plant and you do not lose the simple line of a paeony's single flower, the virtue which most excited its Oriental growers. The result reminds you of an elegant water Lily.

Before you suspect this is too good to be true, I do promise that these varieties are less bulky but no more difficult than other paeonies with lactiflora blood in them. This group includes the usual doubles like Sarah Bernhardt and the huge white Kelways Glorious which you regard as thoroughly reliable.

Three points

There are only three points to be taken into account. Paeonies like to be fed well: their flowers like to be shaded partially from hot sun, but the young leaves should not be too obviously exposed to spring frost; the plants are always said to prefer half-shade, but I have found this truer of the flowers than the whole ensemble. Above all, the herbaceous varieties must not be buried too deeply when you plant them. This is most important. The plants have an unmistakable crown, or upper surface, when they are dormant. *Do* not plant this more than two inches below the level of the surrounding soil if you want the paeony to flower.

The varieties called Bowl of Beauty, pink with a cream-yellow middle, and Globe of Light, pink with a cream white middle, are as good as their names suggest. Like all paeonies they are extremely hardy and as their Siberian ancestry would require they will tolerate the hardest winters without suffering unduly.

If you want a darker colour, The Moor contrasts its crimson outer petals with a small yellow middle. For those who agree with me that white and lemon yellow are the most graceful colours in a flower, Kelway's variety called Queen Alexandra is particularly appropriate.

It is hardly possible to combine Imperial paeonies so that their colours clash. However, I am risking the increase of my stock of Bowl of Beauty and Queen Alexandra by dividing two old clumps, the best way to multiply a herbaceous paeony, although the disturbance is not popular. Then, by limiting my paeony bed to two varieties, I will then have room for companions to extend the season.

It is true that the paeonies' flowers last very briefly, but those with an eye for leaves, especially young leaves in spring, will not complain that the plant's season is equally short. Its appearance in spring, especially in varieties whose young shoots are beetroot purple, suggests a happy combination with a winter-flowering plant. When the latter's season is over and its leaves look tired before their new growth, the paeony's spring shoots divert the eye.

Then come the paeony's flowers, then a gap in autumn which could be filled by the unfailing autumn crocus, and finally the winter flower itself. Here, a favourite choice seems to me to be the best. In flower, season and leaf, the Christmas and Lent Hellebore is well matched to a border of paeonies.

Same tastes

Like the best matches in the garden they have the same tastes: semi-shade, a mulch of manure and no disturbance throughout their long lives. If you do not like gardening but happen to like flowers, this is a combination which will suit you.

Like the paeony, imperial or otherwise, the hellebore was once more prized for its medicinal use than for its colour. To my eye, they are the remedy for a cool and shaded place. You will actually do them good if you place them, then leave them well alone.

Space link stamp issue

A limited edition of Russian and American stamps and a sterling silver medal will commemorate the forthcoming link-up of the U.S. Apollo and Russian Soyuz spacecraft on July 17.

The Russian commemorative stamp, to be cancelled on that day at the Russian launching site at Beikoner, Kazakhstan, was designed by Alexei Leonov, commander of the Soyuz. The stamp and cancellation will not be available through Soviet postal authorities or stamp dealers.

The U.S. stamp of the link-up will be cancelled on the day at Kennedy Space Centre in Florida. The medal will portray the five crewmen taking part in the event with the words "Partners in Space" inscribed in English and Russian. On its reverse side, the official symbol of the joint space mission will be depicted, with the names of the crewmen in their native language.

The commemorative issue will be available in Britain exclusively through John Pinches, and limited in number to one per order postmarked by July 17, the spokesman said.

TV Radio

† Indicates programme in black and white.

BBC 1

1.35 p.m. Camberwick Green. 1.50 News. 1.55 Wimbledon Lawn Tennis Championships. †4.23 Regional News (except London). 4.25 Play School. 4.50 Z-Shed. 5.15 Yao, African Prince. 5.40 Captain Pugwash.
5.45 News.
†6.00 Nationwide.
6.15 Wimbledon Tennis.
†6.45 The Wednesday Film: "What a Whopper!" starring Adam Faith and Sidney James.
8.10 Survivors.
9.00 News.
9.25 For Richer . . . For Poorer by Johnny Speight starring Harry H. Corbett.
9.55 Andre Previn's Music Night.
10.45 Midweek.
†11.28 Regional News.

All regions as BBC 1 except at the following times:

Wales—1.35-1.50 p.m. Nant-Y-Pant. 5.15-5.35 Maldwynaldwyn. 5.35-5.45 The Clangers. 6.00-6.15 Wales To-day. 6.45-6.50 Disney Cartoon. 6.50-7.20 Heddiw. 7.20-8.10 Star Trek. †11.28 News of Wales.

Scotland—6.00-6.15 p.m. Reporting Scotland. 11.28 Scottish News Summary.

Northern Ireland—4.23-4.25 p.m. Northern Ireland News. 6.00-6.15 Scene Around Six. †11.28 Northern Ireland News Headlines.

England—6.00-6.15 p.m. †Look North (from Leeds, Manchester, Newcastle); †Midlands To-day (from Birmingham); †Look East (from Norwich); Points West (from Bristol); †South To-day (from Southampton); †Spotlight South West (from Plymouth).

BBC 2

†7.20 a.m. Open University.
10.35 Nai Zindagi Naya Jeevan.
11.00 Play School.
2.00 p.m. Wimbledon Lawn Tennis Championships.
7.20 Newsday.
7.45 The Master Game.
8.10 The Ascent of Man.
9.00 The Poisoning of Charles Bravo (play by Ken Taylor).
10.15 Match of the Day from Wimbledon.
11.05 News Extra.
11.25 Closedown: John Westbrook reads "Matilda Who Told Lies and was Burned to Death," by Hilaire Belloc.

LONDON

10.55 a.m. "Guess Who's Sleeping In My Bed?" starring Barbara Eden. 12.10 p.m. Elephant Boy. 12.35 Sally and Jake. 12.45 Hickory House. 1.00 First Report: News, FT index. 1.20 Lunchtime To-day. 1.30 Mr. and Mrs. 2.00 Good Afternoon. 2.30 Happy Being Happy. 3.30 The Saint. 4.25 Baldmoney, Sneezewort, Dodder and Cloudberry. 4.50 You Must Be Joking! 5.20 The Brady Bunch.
5.50 News from ITN.
6.00 To-day.
6.35 Crossroads.
7.00 Don't Ask Me.
7.30 Coronation Street.
8.00 . . . And Mother Makes Five.
8.30 Barry Sheene—Daytona 1975.
9.30 Sadie, It's Cold Outside.
10.00 News.
10.30 Special Branch—Stand and Deliver.
11.30 Wrestling.
12.15 Yellow Pages.

All ITV regions as London except at the following times:

ANGLIA

1.25 p.m. Anglia News. 2.00 House Party. 2.30 Boney. 3.30 Pelican Flyway. 5.20 Lassie. 6.00 About Anglia. 11.45 Your Music at Night.

ATV MIDLANDS

1.20 p.m. Lunchtime Newsdesk. 3.30 Boney. 5.20 ATV To-day including Junior Police Five. 6.00 ATV To-day. 11.45 Morris Stuart.

BORDER

†1.25 p.m. Border News. 2.30 Here Comes the Future. 2.00 House Party. 3.30 The Doctors. 5.20 Circus. 6.00 Border News and Lookaround. †11.00 Border News Summary.

CHANNEL

1.20 p.m. Channel Lunchtime News and What's On Where. 2.30 Documentary. 5.20 Elephant Boy. 6.00 Channel News. 6.10 To-day in the Guernsey States. 6.15 Wait Till Your Father Gets Home. 11.00 Night Gallery. 11.30 News and Weather in French followed by Epilogue.

GRAMPIAN

12.00 A Matter for Decision. 12.20 p.m. Hammy Hamster's Adventures on the River Bank. 1.20 Grampian News Headlines. 2.00 House Party. 3.30 Department S. 5.20 Dusty's Trail. 6.00 Grampian News. 6.15 The Wednesday File. 11.45 Police Newsroom. 11.50 Evening Prayers.

GRANADA

10.30 a.m. Sesame Street. 11.25 The Swiss Family Robinson. 12.10 p.m. Man and His World. 12.20 The Jackson Five. 1.20 This Is Your Right. 5.15 Betty Boop. 5.20 Crossroads. 6.00 Granada Reports. 6.30 Firehouse. 11.00 The Baron. 11.55 Inner Space.

HTV

1.20 p.m. Report West Headlines. 1.25 Report Wales Headlines. 2.00 House Party. 2.30 The Race Apart. 3.35 Riptide. 5.20 Orbit 5. 5.25 Crossroads. 6.01 Report West. 6.15 Report Wales. 6.30 Cuckoo in the Nest.

HTV Cymru/Wales—As HTV General Service except: 1.20-1.25 p.m. Penawdau Newyddion y Dydd. 4.25 Miri Mawr. 4.35-4.50 Miri Mawr. 6.00-6.15 Y Dydd.

HTV West—As HTV General Service except: 1.20-1.30 p.m. Report West Headlines. 6.15-6.30 Report West.

SCOTTISH

1.25 p.m. Road and Weather Report. 2.00 Mousecall. †3.30 Tales of Edgar Wallace. 5.20 Kirt. 5.25 Crossroads. 6.00 Scotland To-day. 6.30 Chicago Teddybears. 11.00 Late Call. 11.05 At Your Request. 11.35 A Place in Europe.

SOUTHERN

11.00 a.m. Yoga for Health. 11.20 More Power from Water. 11.40 Wait Till Your Father Gets Home. 12.05 p.m. Skippy. 12.30 Hammy Hamster's Adventures on the Riverbank. 1.20 Southern News. 2.00 House Party. 3.30 The Persuaders. 5.20 Betty Boop. 5.25 Crossroads. 6.00 Day by Day. 11.00 Southern News Extra. 11.30 Movin' On.

TYNE TEES

12.00 p.m. Starting Point. 2.00 Women Only. 3.30 Randall and Hopkirk (Deceased). 5.20 The Woody Woodpecker Show. 6.00 To-day at Six. 11.00 The Odd Couple. 11.30 Late News Extra. 11.35 Family Tree.

ULSTER

1.20 p.m. Ulster News Headlines. 3.30 The Baron. 4.23 Ulster News Headlines. 5.20 Survival. 6.00 Summer Reports.

WESTWARD

11.25 a.m. Yoga for Health. 11.50 The Galloping Gourmet. 12.15 p.m. Around the World in 80 Days. 12.55 Gus Honeybun's Birthdays. 1.20 Westward News Headlines. 5.20 Elephant Boy. 6.00 Westward Diary. 11.45 Westward Late News. 11.48 Faith for Life.

YORKSHIRE

1.20 p.m. Calendar News. 3.30 Randall and Hopkirk (Deceased). 5.20 Out of Town. 6.00 Calendar. 11.45 Look Ahead.

RADIO 1 247m

(S) Stereophonic broadcast

6.00 a.m. As Radio 2. 7.00 Noel Edmonds. 9.00 Tony Blackburn. 12.00 Johnnie Walker including 12.30 p.m. Newsbeat. 2.02 A Party Political Broadcast on behalf of the Conservative Party. 2.07 Ed Stewart (S): also on VHF. 5.0 Newsbeat. 5.15 Anne Nightingale reviews the latest sounds around. 7.00-12.33 a.m. As Radio 2.

RADIO 2 1,500m and VHF

6.00 a.m. News Summary. 6.02 Simon Bates (S) including 6.15 Pause for Thought. 7.02 Terry Wogan (S) including 8.27 Racing Bulletin and 8.45 Pause for Thought. 9.02-11.30 Pete Murray's Open House including 10.30 Waggoners' Walk. 11.30 Jean Challis (S). 1.50 p.m. Sports Desk. 1.55 Good Listening (VHF). 2.02 A Party Political Broadcast on behalf of the Conservative Party. 2.07 Wimbledon '75: 1500m. only (also 202m. Scotland) VHF joins Radio 1 including 2.45, 3.45 and 4.45 Sports Desk. 5.02 Waggoners' Walk. 5.17-7.00 Sam Costa (S) VHF only. 5.17-7.00 Wimbledon '75: 1500m. only (also 202m. Scotland) including 5.45 Sports Desk. 7.02 Lucky 13! 7.30 Sports Desk. 7.32 Ring-a-Song (S). 8.02 Country Club (S). 10.02 Sports Desk. 10.05 Eugene Fraser (S) with Music Through Midnight. 12.00 News. 12.33 a.m. News Summary.

RADIO 3 464m, Stereo & VHF

7.00 a.m. News. 7.05 Your midweek choice, part 1 (S). 8.00 News. 8.05 Your midweek choice, part 2 (S). 9.00 News. 9.05 This week's composer: Kodaly (S). 9.45 Music for organ (S). 10.15 Hanns Eisler concert (S). 11.35 Berlin Philharmonic Orchestra, part 1: Schubert (S). 12.05 p.m. Interval Reading. 12.10 Concert part 2: Brahms. 1.00 News. 1.05 Concert Hall (S). 2.00 New Records (S). 3.10 Stravinsky (S). 3.55 In Repertory: Alexander Gibson, Artistic Director of Scottish Opera, discusses the development and repertory of the Company (S). 5.00 Choral Evensong. 5.45 Homeward Bound (S). 6.05 News. 6.10 Homeward Bound continued. 6.30 Study on 3. 7.30 Beethoven and Brian concert, part 1: Beethoven (S). 8.00 The Arts Worldwide. 8.20 Concert, part 2: Havergal Brian (S). 9.15 Diné: A sequence of poetry, prose and chants based on the creation myth of the Navajo Indian tribe of Arizona (S). 9.45 Haydn Sonatas (S). 10.25 Philip Cannon Songs and String Quartet (S). 11.10 Mozart (S). 11.25 News.

Radio 3 (VHF only)—12.00 to 12.20 a.m. Open University.

RADIO 4

434m, 330m, 285m and VHF
‡ Medium Wave only

6.20 a.m. News. 6.22 Farming Today. 6.40 Prayer for the day. 6.45 Today including 6.50 and 7.50 VHF Regional News. 6.50 Weather, programme news. 7.00 News and more of Today including 7.27 Sportsdesk. 7.35 Today's Papers. 7.45 Thought for the day. 7.55 Weather, programme news. 8.30 Yesterday in Parliament. 9.00 News. 9.05 The Living World. 9.35 Frank Muir Goes Into . . . Fear. 10.00 News. 10.05 In Britain Now. 10.30 Daily Service. 10.45 Morning Story. 11.00 News. 11.05 Round Britain Quiz. 11.30 Thirty-minute Theatre. 12.00 News. 12.02 p.m. You and Yours. 12.27 Brain of Britain 1975. ‡12.55 Weather, programme news (VHF, except London and SE) Regional News. 1.00 The World at One. 1.30 The Archers. 1.45 Woman's Hour including 2.00-2.02 News. 2.45 Listen with Mother. 3.00 News. 3.05 Afternoon Theatre (S). 4.00 News. 4.05 One Man's Village. 4.35 Story Time. 5.00 PM Reports. ‡5.50 Financial Report. VHF Regional News. 5.55 Weather, programme news. 6.00 News. 6.15 Twenty Questions. 6.45 The Archers. 7.00 News Desk. 7.25 A Party Political Broadcast on behalf of the Labour Party. 7.30 It's Your Line. 8.30 Dusko Popov—Double Agent. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.45 A Book at Bedtime. 11.00 The Financial World Tonight. 11.15 Today in Parliament. 11.45 News.

BBC Radio London

206m and 94.9 VHF

6.00 a.m. As Radio 2. 6.30 Rush Hour. 9.03 Downtown. 11.03 In Town. 12.03 p.m. Call In—1. 12.45 London News Desk. 1.03 Call In—2. 2.03 206 Showcase. 3.03 Young in Mind. 4.03 Sound Out. 4.32 Home Run, including London News Desk at 5.00, 6.00. 7.03 In Town. 8.00 Rail. 8.30 In Concert. 10.03 Robbie Vincent's Late Night London. 12.00 As Radio 2 until closedown.

London Broadcasting

261m and 97.3 VHF

6.00 a.m. "AM": London's breakfast-time news show, with interviews, traffic and travel service, plus sport. 9.30 Parliament from the Inside—LBC's report on the House of Commons at work. 10.30 Open Line—London talks to George Gale. 12.00 Newswatch, plus live reports from the House of Commons. 6.00 p.m. Newsbreak. 7.30 Music in Stereo, devised by Andrew Carnegie. 9.00 Love in London presented by Adrian Love. 1.30-6.00 a.m. Nightwatch—News every half-hour.

Capital Radio

194m and 95.8 VHF

6.30 a.m. Kenny Everett with 2½ hours of music and madness. 9.00 Michael Aspel with music, Features, Advice and Swop-Shop. 12.00 Cash on Delivery with Dave Cash and Music. 3.00 p.m. Roger Scott with Music. 7.00 London To-day. 7.30 Open Line. 9.00 Nicky Horne's rock show. 11.00 Tony Myatt's late night on Capital. 2.00 a.m. Night Flight.

F.T. CROSSWORD PUZZLE No. 2,812

ACROSS

1 Short road to current conflict (6)
4 Popping the question like royalty (6)
8 Rocket from young lady upset old priest (7)
9 Write about losing 6-4 at Wimbledon (3, 4)
11 Fire a director and go right to the front (5, 5)
12 21d given hiding by two athletes . . . (4)
13 . . . near a smashing sports ground (5)
14 From which our man at Wembley watches urge to fight (5, 3)
16 Witty answer concerning average driving range (8)
18 Scots leader isn't commonly a very good man (5)
20 A tiny bit of a cat (4)
21 Go from second to first, maybe, in spare suit (6, 4)
23 Revolutionary work of English painter? (7)
24 Concealed goal distorted by noble Spaniard (7)
25 Sound officer is a bit of a nut (6)
26 Way out African woman beheaded (6)

DOWN

1 Forger of a common name (5)
2 Address of gentleman coming up with fish and meat ball (7)
3 Decline a role during break-up (4, 5)
5 Horse used by offspring going round West-end (5)
6 Donor is made to look at home (7)
7 An abstemious person is likely to sally forth (2, 7)
10 Inn and pub found by city gateway (6, 3)
13 Scots loch came out filled with dread (9)
15 Not demanding to see novel midshipman off (4-5)
17 Hospital worker makes the MO learn some other way (7)
19 He's not thankful for being in fiery place (7)
21 Dogs point to great evil (5)
22 One for example is needing protection (5)

Solution to Puzzle No. 2,811

G	A	L	L	O	P	■	C	A	T	R	I	O	N	A
A	■	E	■	U	■	■	■	C	■	U	■	S	■	S
L	E	V	I	T	Y	■	S	T	A	N	D	I	N	G
U	■	E	■	S	■	W	■	S	■	A	■	E	■	R
M	I	L	D	E	W	E	D	■	E	G	E	R	I	A
P	■	B	■	T	■	L	■	B	■	A	■	■	■	S
H	E	E	L	■	E	C	C	E	N	T	R	I	C	S
■	■	S	■	G	■	O	■	A	■	E	■	N	■	■
A	T	T	A	I	N	M	E	N	T	■	F	L	O	P
N	■	■	■	N	■	E	■	R	■	A	■	U	■	L
T	R	E	P	A	N	■	C	O	R	N	I	C	H	E
I	■	N	■	N	■	U	■	W	■	S	■	K	■	A
Q	U	A	N	D	A	R	Y	■	S	W	I	N	G	S
U	■	C	■	I	■	G	■	■	■	E	■	O	■	E
E	N	T	I	T	L	E	D	■	C	R	O	W	N	S

Battersea Park

Débuts

by CLEMENT CRISP

Across the years, fans of the Royal Ballet remember with affection those matinées when young dancers were given their first chance at a big—or sometimes not so big—role. I recall Nadia Nerina saying how exciting it was, as a very junior artist in the company, to go on as a third or fourth cast Fairy in the *Sleeping Beauty* prologue, or in the *Swan Lake* pas de trois at a matinee, and how necessary it was that there should be third and fourth and fifth casts. It is not stars but the echelons of soloists that are a company's wealth: yet another Swan Queen, another Lise, a new Solor and Nikiya are guarantees for the future, proof of continuity in training, style, skill.

There has been a good deal of just this sort of valuable activity at recent matinées in the Tent. Last Thursday afternoon Ria Peri and David Ashmole came new to *La Bayadère*. Miss Peri essaying the grand manner without affectation, and Mr. Ashmole showing a physical integrity and a largeness of dynamics that make him so pleasing a dancer to watch. His movement is fine in its big effects—splendid pirouettes, a good jump, strong pulse and momentum in a phrase—and he catches and holds the emotional mood of the scene with no strain.

A couple of days later, partnering Vergie Derman at her debut in *Swan Lake*, this sense of a young body moving with boyish ardour gave his Siegfried its allure. He seems able to sustain a dramatic situation best by physical rather than mimetic means: the intensity of Siegfried's feelings in Act 2 and Act 3 were revealed in the lines of his body, but for the mimetic small-talk of a scene he has not yet progressed beyond mouthing and smiling.

For Vergie Derman the *Swan Lake* can be accounted a great success. At Thursday's matinee she had been part of a major cast-change in *The Concert*, and her gift for elegant comedy was just what the role of the Wife, all pearls and a frozen smile, needs. (Her shrug as she realised she could never hope to sort out the tangle of the waltz sextet was a joy). These are not the obvious qualifications for Odette/Odile, yet once an initial nervousness had passed, Act 2 looked unflustered and pure in style and line. But it was the third act and the wall of death of the pas de deux that best demonstrated Miss Derman's right to the role. Technically sure, very out-going in dramatic feeling, most intelligently shaped, the whole sequence became a positive and impressive statement about Odile and Siegfried: with an enchantress as beautiful as this, Siegfried's fate was sealed. On any terms an exceptionally promising debut.

The Concert cast changes also included David Wall as the murderous husband—a splendid gritty performance that became even funnier in the butterfly frolics of the last scene, where the object of his attentions was Laura Connor. Miss Connor was very deft in the role we associate with Lynn Seymour — she can slip an extra hand into a Bechstein with the best of them—and she triumphed in no uncertain manner yesterday afternoon when she made her debut as Lise in *Fille*.

Her every quality that we have admired so much in the past—buoyant ease of technique, the bright physical presence, that distinctive eagerness to soar and spin and make us enjoy her dancing—show her as the happiest of Lises. She plays the role without affectation; movement bubbles out, the sun shines when she dances. Colas was yet another new role for Mr. Ashmole; he presents it with a sure appreciation of its vigorous charm, and the careful interlocking of dance and drama in Ashton's choreography help him to create a credible and engaging hero.

One other new arrival must be mentioned: Lynn Seymour assuming the heroine's armour and trail of vengeance in *Shukumei*. No problems here for Miss Seymour's artistry—she can encompass this sort of thing without effort. The rewards for the role were the magnificent line of leg and torso to make the fights look even more like choreography, and a sense of drama implicit in every movement, from the demure head-nodding bride who first teeters on stage, to the grand gesture as she contemplates the knife with which she will commit *seppuku* at the ballet's end.

One last performance insists upon mention: the Makarova-Dowell *Swan Lake* on Friday night. At the opening of the Tent season, when February raged without, and unfamiliarity within, their joint interpretation was admirable enough. But Friday night was altogether superior. I have never seen the Act 2 pas de deux more beautifully danced, or more thrillingly acted. There now exists an emotional rapport, a fusion of psychic and physical energies, between these two artists that is unique in my experience of ballet.

So intense is their mutual commitment to their roles that one might swear that, like *Giselle*, the ballet was new-made for them. Makarova's dancing has never seemed more elegiac or more aristocratic in the Odette-Siegfried duet, never more hypnotically compelling, or more physically enticing, in the Black Swan pyrotechnics. Dowell in Act 2 is the embodiment of a youth caught up in a storm of passion, and in Act 3 his technical brilliance becomes the very image of ecstatic happiness. Miraculous dancing that is also glorious acting, it achieves its grandest effects in the last act reunion, in which passion and despair ring out like the trumpets in the score. Great art; great artists.

New London

Thurber

by MICHAEL COVENEY

The incongruous occupant of Sir Bernard Delfont's Drury Lane complex for the next few weeks is William Windom, an agreeable, unfussy American actor well-known for his leading role in a TV series based on the writings of James Thurber. Mr. Windom rises from a centre-stage typewriter, dressed in casual clothes, and sporting a leather eye-shade. He launches nonchalantly into a passage from *My Life and Hard Times*. The small, touching character sloping about the West Indies in a state of gentle bewilderment at the mercenary antics of the natives is infused with the identical, inimitable Thurberite common-sense of the tiny lemming who stares the learned scientist in the face and wryly asks why, given all of its hideous record, the human race does not rush headlong and en masse over the nearest cliff.

Mr. Windom's fluently organised forays into the bottomless bran-tub achieve a consistent impression of surprise and wonder at civilised men in both general drift and particular detail. The guest at a cocktail party is distracted from the brouhaha by the sight of his back-slapping host's loutish son bawling for dinner: he is transported thence to memories of the price he once paid at just such a pair of fat, clammy hands for being saddled with a reputation as Teacher's Pet. The short tale, as with many of Thurber's short tales, is a jewel of elegant, simple prose, rich in sharp characterisation and governed, though not swamped, by a stern moral impulse.

But does this result in dynamic theatre? Alas, no. This is not to complain of an absence of thunder machine, chorus line or blasphemy, but to admit that Mr. Windom's formula, as dictated by the style of Thurber himself, is uninteresting. There is no shape to the show. It could as easily run for five hours as it does for two. And, at the end of those five hours we would all still, very probably, be smiling and occasionally clucking in our seats at another favourite passage or another sudden, beautifully sprung shaft of irrefutable philosophy.

The programme includes several Fables For Our Time (including the one about the moth who lives long and happily by scorning the house lamps for an unattainable star each night—"Moral: Who flies afar from the sphere of our sorrow is here to-day and here to-morrow") and several delightful examples of Thurber's glosses on the expressions of dolorous animals.

Mr. Windom remains a figure of unhurried insouciance to the last and he ends splendidly with The Secret Life of Walter Mitty.

Elizabeth Hall

Musica Reservata

It would not have been difficult to come away from Monday's concert by Musica Reservata with the impression that while the other arts ranged from Gothic cathedrals to the experimental visions of Leonardo da Vinci, late 15th-century musicians contented themselves with tiny modal ditties. That kind of impression happens naturally in a programme which features only the secular music of Josquin and his contemporaries, and ignores the sacred choral masterpieces in which long lines are suspended with all the dexterity and emotional nuances available to those 15th century polyphonists who paved the way for Palestrina.

But Musica Reservata was able to capture more than the neat imitation and sometimes rude humour of after-dinner music of the early Renaissance, for Monday's programme was pleasantly designed to contrast not only Josquin with his obviously lesser contemporaries (Brumel, de la Rue, Anon and company) but to balance instrumental setting with chansons. Moreover, the performing style encouraged one to notice the cross-over from instrumental composition to vocal writing (or more likely, the other way round) since this group still sings with that nasal, vibrato-less timbre first developed by their mezzo soprano Jantina Noorman, and now copied in less shouty version by the contralto Margaret Philpot.

On Monday Miss Noorman was in less than good form, and several chansons were rendered intelligible only to Siamese kittens. But with suave viol playing, and notably gentle sackbut tone from Trevor Herbert, the eloquence of the sombre chansons filtered through. The only sacred piece, Josquin's "In te, Domine, speravi" was certainly the finest piece of the evening; but de la Rue's four part chanson "Pourpense me suis de morir" was interesting, with several lines and intervals too strange or daring to seem true.

GILLIAN WIDDICOMBE

Trevor Humphries

Stephen Jenn, Emrys James, Charles Dance and Anthony Naylor in th e Royal Shakespeare Company's 'Henry IV, Part 2,' which opened last night at Stra tford-on-Avon

Television

Reflections

by CHRIS DUNKLEY

If you spend a quarter of your life playing tennis on the Centre Court, another quarter playing first-class cricket against the West Indies or Australia, and a third quarter dressed up in a lost of old-fashioned clothes playing kings and queens, leaving yourself free in the last 25 per cent. of your time to solve single-handed the crime problems of New York, London and Dodge City then you must be the one who started the story that "*television reflects life.*"

Considered as a whole, television does no such thing of course. A large part of the output is devoted to portraying brief climaxes in the lives of very unusual people: in its coverage of the "world cup" cricket tournament the BBC afforded us the highly satisfactory spectacle of Kallicharran hooking the demon Australian bowlers all over the pitch, putting one in mind of a particularly small Christian consuming whole prides of particularly large lions. What the BBC did not show us—thank goodness—was month after month of net practice, weight training and all the other boring preparations which (I assume) must precede a performance such as Kallicharran's.

Insofar as the cricket match did take place, television is, it is true, "reflecting" life, or at any rate a very small, very special part of life. Similarly insofar as procurators fiscal do exist, moving in those parts of society peopled by law breakers and law enforcers, *Sutherland's Law* is a reflection of life. There is a qualitative difference here in that Iain Cuthbertson portrays a fictional character, and one wonders how many real-life procurators go around falling down sheer rock faces in order to test the validity of evidence offered by potential witnesses, as Sutherland did last week. That aside however, even if the character played by Cuthbertson were to be a less active, thrusting type and was shown instead as an idle desk-bound law man sending out his employees to do any necessary rough stuff, the fact would remain that most viewers are neither officers of the law nor criminals. The bit of life being reflected here is, again, a very small and unusual bit.

So what on earth, I can hear the programme planners asking with pitying smiles on their faces, am I suggesting? A series of uneventful stories about nonentities, perhaps? Am I also one of those who want news programmes to tell us how many people were not run over while crossing the road yesterday? Am I aware that the newspaper launched with the promise of conveying only good news rapidly failed because nobody wanted to buy it? Do I not realise that dog biting man is not newsworthy but that man biting dog is—and that for reasons such as these drama and documentary programmes will inevitably be concerned with the unusual, the climactic, the extreme, the superlative and, almost as often as not, that which deviates from the norm: the deviant.

Well, yes, I realise that is the way programme planners and some broadcasters think, and to some extent, some of the time, I agree with them. Nevertheless, I do see the viewing figures as prepared every week by JICTAR, and if there has been a week during the last eight years when the top ten has failed to include either *Coronation Street* or *Crossroads* (usually both) I cannot recall it. Last week *Crossroads*, ATV's serial about a motel which is broadcast four nights a week, appeared in fourth, sixth, eighth and twelfth positions in the ratings. Granada's *Coronation Street*, of which there are two episodes each week, shared sixth place with *Crossroads* and also appeared in ninth place.

In ratings terms (which tell us nothing about quality) they are the two most consistently successful programmes shown on British television, and the outstandingly obvious thing about them is that they come as close as television ever does to providing "everyday stories" about "everday people." Most of the characters in *Crossroads* are not first class sportsmen, nor detectives, nor kings or queens. They are mostly people who earn their wages from jobs that are only marginally more interesting or glamorous than those of most viewers, and in *Coronation Street* that margin disappears altogether.

The Entertainment Guide is on Page 11

No doubt the ratings success of the two programmes is partly a result of the sheer regularity of episodes, but I have no doubt that the ordinariness of the people involved and the similarities between their lives and those of the viewers is what really matters, in simple terms of building audiences. The significance of the ordinary is used elsewhere, it is true: in *Sutherland's Law* John Sutherland has been having terrible trouble with the central heating installation. However, the function of the ordinary here was quite different from its function in *Crossroads*; here it was used to point up the otherwise dramatic nature of the life of the procurator fiscal. The message was that "Even this important law man has to contend with everyday nonsense such as heating troubles."

One does not have to demand the emasculation of the schedules as a preliminary to asking for greater attention to be paid to the familiar, the ordinary, the everyday, the non-superlative in programmes of a much higher quality than *Crossroads* and *Coronation Street*. Such a demand would make no sense in the world of cinema or live theatre since nobody would want to buy a ticket and take the trouble of travelling to a theatre in order to watch reflections of the familiar. Television is utterly different because it is already in the sitting room; it transmits an unbroken succession of programmes from morning till night; and it is a medium suited to the non-fictional as well as the fictional.

Thames Television supplied a good and most unusual example last Thursday in their *This Week* slot which is normally devoted to hard edge current affairs. "Nymphs and Shepherds" looked at a reunion of the members of the Manchester Schoolchildren's Choir which in 1929 made the record which has since become almost annoyingly familiar, calling repeatedly upon the nymphs and shepherds to "come come come come away." With reporter Peter Williams talking to choir members about their early lives it could so easily have turned into a maudlin mess of reminiscence about the good old days. But it did not.

One person did say of the reunion that "It's a bit of nostalgia — re-living a time when you were very young," and there was once mention that "We went to the Victory Picture House as it then was" which sounded almost sorrowful. But for the most part the memories semed very realistic, and for all the fondness attached to time past it was pretty clear that most people believed — as one of them actually said—that "things were very much harder then."

It was a pleasant programme because these sounded like ordinary people who found much about life to enjoy, and who had no desire to enlist my sympathy for a cause, be it relief from poverty, mental illness or homelessness, all of which are worthy of much attention, but not to the exclusion of all else. We need more frequent attention given to the norm, if only to ensure that we still have some point of reference from which to judge the plight of the deprived. More than that: the normal are interesting in their own right. Some of my best friends are nonentities.

By odd coincidence "Nymphs and Shepherds" was followed by *Suzi's Plan*, Charles Humphreys' play for Yorkshire TV which admittedly involved one of the most lengthily debated social problems of the 1970s — one parent families — but managed all the same to treat the subject in an affectionate and very funny way. The success of the play had a great deal to do with the sheer normality of the characters — even the ostensibly precocious Suzi who certainly has her counterparts in "real" life.

An evening with two such programmes is the exception that proves the rule, but the success of both also proves that when television really does manage to reflect something closely approximating to ordinary life instead of the extraordinary life of sports star, king or cowboy, it can still produce programmes which are very well worth watching.

Quote of The Week (from Mrs. Margaret Thatcher during Wednesday's Party Political broadcast on all channels): "Everywhere I go people ask me 'can nothing be done?' Well of course it can. . . ."

Sadler's Wells Theatre

Strangers

Chaos is come again. For the last week of their London visit Nederlands Dans Theater is presenting a theatre piece—Jennifer Muller's *Strangers*—which seems to me the epitome, the apotheosis, of the fatuities that have made this season so dispiriting. Before curtain rise the Wells' foyer and auditorium are infested with members of the company, capering, screaming in monkey outfits—can this by the Theatre of the Apes?—though their behaviour, I suspect, was the most acceptable of the evening. Wise after the event, I now realise it was also a horrid warning of events to come.

Predictably, *Strangers* purports to offer a commentary upon the failure of a married couple to "communicate"—this being the currently modish verb behind which every kind of inadequacy may lurk. The key incidents upon which a variety of tiresome fantasies depend are the couple's rising, ablutions, the preparation and eating of their breakfast, the man's decision to get away from it all, and his return to the bliss of his home.

The greater part of the eternity which Miss Muller takes to explore her theme is occupied with various imaginary sequences in which a self-indulgent and inexpressive dance manner is given full rein. We are treated to whimsical capering by six mauve-clad couples in a wood made of three vast, practical trees; eight girls have a series of entries with coffee-cups: a genteel picnic is seen in triplicate; the apes intrude from time to time; there is even a scene in which crumpled newspaper and even more crumpled symbolism strew the stage.

Despite the dedication of the performers, I found the work nasty, brutish and long. The design is by William Katz, the accompaniment a deafening and remorseless torrent of banalities for a rock-group by Burt Alcantara whose culmination had me sitting with fingers stuffed in my ears in an attempt to protect my tympanum. *Strangers* lasts one and three-quarter hours, and there is no interval. Enough said.

CLEMENT CRISP

Wimbledon Theatre

Tartuffe

by B. A. YOUNG

This is the pleasant production that, directed by Peter James, stretched across the Edinburgh Assembly Hall last Festival time, but now, re-directed by Charles Kay, is neatly folded on to the Wimbledon stage with a conventional set designed by Geoffrey Scott. It looks just as pretty, Orgon's house to one side, the garden gate to the other; on the top floor of the house, between two carved niche-borne figures, is the bedroom window from which Tartuffe, spectacularly changed from a snuffy little black-and-grey clerk into a red-robed demon, will appear to ratify his tryst with Elmire, unaware that her husband stands below.

Edward Petherbridge has taken over Tartuffe from Mr. Kay, and radiates hatefulness from an almost expressionless face and a cold, passionless voice that make his amorous exploits all the more unpleasant. Sheila Reid in a ginger wig handles Elmire's mischief without losing her dignity, a very funny performance; and Tenniel Evans as Orgon suggests a country squire who has adopted Tartuffe in lieu of a hunter.

They play the Richard Wilbur translation in rhymed couplets that work too hard at providing pantomime - like feminine rhymes and display too many phrases put in for versifying's sake—

> You can't fight slander,
> it's a losing battle.
> Let us instead ignore
> their tittle-tattle.

The company deals with it imaginatively, breaking up the jogtrot rhythms with ingenious accentuations. Juan Moreno's Damis sounds splendidly youthful with his boyish inflexions; best of all is a two minute cameo spot by Jonathan Adams as the bailiff.

The production shows the detailed finish of all this company's work. *Tartuffe* is not my favourite Molière; indeed I seldom enjoy any Molière in English unless it is healthily disguised like John Dexter's *Misanthrope* or Frank Dunlop's *Scapin*. But this one is genuinely funny, attractive to look at, and pretty well played from top to bottom.

Wigmore Hall

Leslie Howard

by DOMINIC GILL

The young Australian pianist Leslie Howard (b.1948) made his London solo debut on Monday with the first of a series of three recitals he will give at the Wigmore Hall this month devoted respectively to Liszt, Beethoven, and Russian composers. So large and ambitious a concert entrance speaks of remarkable self-confidence: and it's good to be able to report that Mr. Howard's confidence was justified—after a fashion.

He is a robust and skilful pianist, with strong fingers and plenty of staying-power. He ought, on the face of it, to be able to play Liszt excellently well. Yet what emerged from his hands was not the sort of Liszt-playing I admire most: fast, brilliant performances which lacked any kind of 19th-century romantic heart—grand performances, without the grand style.

During the course of a long and interesting programme, Howard seemed more anxious to prove that he could conquer his instrument than coax it, make it sing; more concerned to show off an effective repertoire of set-pieces than to linger lovingly over any one of them, and discover its special beauty. The playing was of tough but generally coarse weave—set out in good clear primary colours, but capable of no very subtle inflection of pattern or texture. Focus was never very close; fine-grained effects were often imprecisely conceived, blurred by careless attention to balance or dynamic, and by careless pedalling. The range of expression was not wide, and rarely achieved the extremes of wild Lisztian grandeur, piety and pathos—nor any great power of what one might tentatively call charm.

But Mr. Howard's middle range—strangely, it sometimes seemed an almost purposeful confinement, as if he sensed perfectly, but refused to offer, any wider Lisztian canvas—was satisfying of its kind. On a solid, unexalted level it was also an enjoyable recital. No single programme could ever hope to do comprehensive justice to the vast body of Liszt's piano music: but this was an intelligent and perceptive list which covered the whole span of the composer's long career—from the early avant-garde "symphonic poem" *Harmonies poétiques et religieuses* of 1834, through the D flat Concert Study of 1848, and the two *Légendes* of vigorous middle-age, to the late, searching miniatures of the last years.

Mr. Howard also took in some fascinating rarities on the way. I liked his spirited playing of the "Weinen, Klagen . . ." Variations on Bach's cantata theme, and his neat, simple reading of the late Nocturne after a poem by Toni Raab, *Schaflos, Frage und Antwort*; and I also found a sympathy — even if ideally I would prefer an interpretation far more steel-fingered, mad, wild-eyed—with his lively account of the melancholy, spikily brilliant, and much-neglected second Mephisto Waltz of 1881. Best of all, perhaps, the final climax of the second St. Francis Légende and of the recital — in which the playing, and even the piano sonority itself, suddenly came to life with unmistakable fire. If that goes on burning, his Beethoven recital on June 29 should catch alight very well.

WORLD TRADE NEWS

Yugoslavia imposes import restrictions

By Aleksandar Lebl

BELGRADE, June 24.

SEVERE IMPORT restrictions have been introduced in Yugoslavia as from last Saturday, embracing a wide range of consumer goods, production materials and even some raw materials. Imports under long-term co-operation contracts are excluded.

Imports until December 31 of goods on lists published by the Yugoslav Official Gazette will be possible only on the basis of special import licences issued by the Federal Secretariat for Foreign Trade.

The restrictions should help to reduce the trade deficit which in the first five months of this year reached $1.59bn., of which $1.39bn. was with Western countries.

A Bill introducing a 50 per cent. deposit for all non-productive investments is being discussed in the Federal parliament. Its purpose is to curb excessive investments, which have been burdening the Yugoslav economy for some time.

The two moves, together with some earlier ones, are only the beginning of a sweeping "house cleaning" which should bring more order and discipline into Yugoslav economy and help fight inflation and check the balance of payments deficit.

Other moves will follow soon, and could include wage and price freezes, although that would be contrary to Yugoslav economic philosophy.

The measures become necessary because the milder measures in the current economic policy have failed to stabilise the economy. It has been felt increasingly that only more drastic measures could do the job.

It seems that for the time being foreign exchange rate adjustments are ruled out, although later on they may become necessary as well.

It is understood that a high level working group is preparing a five year anti-inflationary programme which would be ready by July 15, and would contain recommendations for "qualitative" changes in the Yugoslav economic policies.

Export Contracts

WEST'S PYRO (WGI Group) will undertake for £260,000 work on rebuilding vertical retorts for carbonising coal to produce town gas at Johannesburg and Cape Town. West's supplied the plants in the 1920s.

HILLE ENGINEERING, of Sheffield, will design and supervise improvements to a billet and rod mill at Lecco, Italy, costing £1.5m. Baring Bros. has arranged a financial agreement, with ECGD support.

GEC TELECOMMUNICATIONS will instal private telephone exchanges worth £500,000 for the Dubai State Telephone Company.

TILCON GREGORY is selling 1,500 tonnes of sand each year to Iran for production of sanitary ceramics.

Canada seeks joint ventures with Japan

BY CHARLES SMITH, FAR EAST EDITOR

TOKYO, June 24.

CANADA IS anxious to encourage Japanese investment in joint ventures for the exploitation of raw materials such as tar sands and raw materials, and hopes to find ways of reconciling "apparent conflicts" between the two countries' investment policies, so as to make such ventures possible.

This was stated to-day by Mr. Allan Maceachen, the Canadian Foreign Minister, at the end of a three-day round of ministerial discussions here.

Mr. Maceachen admitted that Canadian investment policy, which requires that raw materials should be exploited for the benefit of the home market in the first instance, raised an obstacle for Japanese investment, particularly in the energy field.

Japanese policy calls for overseas oil ventures by Japanese companies to be specifically related to supplying the Japanese domestic market.

However, Mr. Maceachen termed the contradiction "apparent" rather than real, and stressed that the real problem facing both countries was to dispel the "psychological barrier" against investment joint ventures.

He sounded particularly interested in obtaining Japanese help on the development of "know-how" for tar sand exploitation. The Minister explained that Canada was persuing "diversification strategy" both in foreign and economic policy, and that closer links with Japan would harmonise with those objectives.

The other main point taken up at the ministerial talks was Canada's anxiety to sell more manufactured goods to Japan as a supplement to its existing overwhelming emphasis on primary products.

Mr. Maceachen denied that he was visiting Japan as a salesman, but the group of Canadian ministers seems to have made a very vigorous sales pitch for a group of high technology Canadian products, including STOL systems and Candu nuclear reactors.

Canadian exports to Japan last year included less than $100m. worth of industrial equipment out of total sales of $2.67bn.

Mr. Kiichi Miyazawa, the Japanese foreign minister, offered a somewhat reserved response to Mr Maceachen's sales pitch, saying Japan could "appreciate" Canada's desire to change its trade pattern, and that Japan could buy Canadian goods if they suited the Japanese market and were competitive.

Mr. Miyazawa added that there might be a case for buying processed instead of unprocessed raw material from Japan, given the difficulty of finding sites in Japan for setting up processing facilities.

Singapore hotel extension

SINGAPORE, June 24.

THE U.S. Western International Hotels group is gambling on an economic upturn in Singapore within the next two years, judging from its announcement of a S$23m. (£4.43m.) expansion project at its Shangri-La Hotel here. Many people consider it a very "soft" time for the Singapore hotel and tourist industries.

Mr. Lawrence B. Magnan, the general manager, said the plan would add a nine-storey, 170-room "garden wing" to the hotel's existing 530-room building, which stands on a five-hectare site.

Construction will start later this year, for completion within two years. The wing will incorporate indoor and outdoor garden effects, with a cascading indoor river and pond.

The architect is Archiplan Team, of Singapore, builder of the existing hotel.

Tourist traffic by sea and air grew by only 10 per cent. last year, when arrivals topped 1m., compared with a 25 per cent. annual growth in recent years. About 67 per cent. of the 1m. indicated their intention to stay at a hotel.

Developing nations 'bleak outlook'

BY DAVID EGLI

GENEVA, June 24.

THE United Nations Conference on Trade and Development (UNCTAD) sub-committee on manufactures has begun its seventh session with a report from the Secretariat forecasting a bleak outlook for developing countries.

The committee, which has 79 members and which is meeting until July 4, was told that the *de facto* devaluation of the U.S. dollar has increased the competitiveness of U.S.-manufactured goods. Japan also has undertaken "a vast export campaign by drastically reducing export prices of many products including textiles and steel.

"There is also a real danger that some countries will attempt to curb imports and in this situation it appears unlikely that developing countries and territories will be able, in 1975, to continue to increase their exports of manufactures faster than the world average," the report stated.

Unctad said the only dynamic import market prospect for both developed and developing countries were the members of the Organisation of Petroleum Exporting Countries.

"Unless these countries take special measures to encourage imports of manufactures from developing countries, the latter have little chance to increase their exports significantly against competition from the hard-pressed market-economy countries," it declared.

Sim-Chem expects big Canadian order

Financial Times Reporter

SIM-CHEM (Simon Engineering group) has accepted a letter of intent designed to make it the principal engineering contractor for a $350m. refinery in British Columbia.

The letter, issued by British Columbia Petroleum, a corporation owned by the province of British Columbia, contemplates an eventual agreement which would make the British company responsible for the preparation, procurement, installation, and commissioning of the 85,000 barrels per day refinery.

Announcing the agreement, Mr. David Barrett, premier of British Columbia, said in London yesterday that British suppliers would be given the "inside track" in provision of equipment to be put out to tender internationally. He had received assurances that credit and ECGD cover would be available on favourable terms.

There are three provisos:

1 There was no commitment to buy British except on price and performance. Mr. Barrett explained he was looking for guaranteed delivery dates — "If they cannot be guaranteed, we shall have to look elsewhere."

2 Site work would be done by local companies, and Canadian producers would be employed for the manufacture and assembly of those components that could be made in Canada economically.

3 Environmental requirements must be met before the refinery could go ahead. They are notoriously stringent in British Columbia. But Mr. Barrett said he believed Sim-Chem would be able to give the advice required to overcome that hurdle.

IN BRIEF

ECGD backing

ECGD has guaranteed a further £2.6m. Bank of Scotland loan, arranged by Lazard Bros., to help finance Parsons Peebles Power Transformer contracts to supply equipment to Mexico.

Israel's new docks

Israeli Transport Ministry has approved a £110m. five-year port investment programme. Half the money will be spent on container ship docks, more than 20 per cent. on platforms and storage installations, and 15 per cent. for equipment replacement. In fiscal 1974/75 cargo traffic at Israeli ports expanded 14 per cent. to 10.2m. tonnes.

Costa Rica deficit

Costa Rica had a $384.8m. trade deficit in 1974, the highest yet, and $274m. above 1973. Coffee remained the principal export, followed by bananas, beef, sugar and cocoa. An official campaign has been launched to reduce imports and encourage exports.

Export handbook

British Overseas Trade Board has published the 1975 edition of its Export Handbook for U.K. companies trading abroad. It is free from Export House, 50 Ludgate Hill, London, EC4, or any regional office.

W. German car sales

West German vehicle registrations in May fell 15 per cent. below April to 223,351 units, but were 6 per cent. above May, 1974. The five months' total of 1.02m. was 15.5 per cent. higher.

Quebec steel plant

Quebec government has authorised Sidbec, a Crown Steel company, to build a $450m. pelletising plant and secondary concentrator at Port Cartier. Fire Lake Iron ore deposits will be developed at a cost of $100m.

Loan for S. Korea

South Korea is reported to be negotiating a $100m.-$200m. loan from Saudi Arabia to help meet its payments deficit.

French car market

Foreign cars took 19.15 per cent. of the French market in January-April, against 17.95 per cent. a year earlier. But, as the total market was almost 17 per cent. lower at 482,000 units (581,000) the volume of imported car sales declined 11.3 per cent.

Ships for Pakistan

Pakistan plans to buy 33 ships worth $411m. over the next five years: 20 cargo ships, eight bulk cargo carriers, three oil tankers and two coasters.

Toyotas for U.S.

Toyota Motor Sales plans to raise car shipments to the U.S. to between 25,000-27,000 in July from the present 23,000 monthly. U.S. inventories declined to 66,000 cars by May 31 from 100,000 at end-1974. Toyota 1975 export target overall is 800,000 (856,000 in 1974), and domestic sales 1.4m. (1.25m.).

World camera sales

World demand for still cameras in 1975 will fall to 27.7m. against 28.4m. last year the Japan Camera Industry Association estimates. But Japan's sales will hold at the 1974 level of 7.4m., giving her a 27 per cent. (26) share of world sales.

Menswear exports

British Menswear Guild has asked the Chinese government to accept a sales mission to Peking, or if that is not possible a small delegation to hold exploratory talks. The Guild believes eventually there could be a demand in major Chinese cities for British menswear.

Tack associates

Tack International has appointed associates in Portugal, West Africa and Spain to present its training programmes. More will be appointed soon in Canada, Austria and New Zealand, making 50 countries where Tack management and sales training courses are available.

AMERICAN NEWS

U.S. warns Turkey on bases, treaty issues

BY PAUL LEWIS, U.S. EDITOR

WASHINGTON, June 24.

THE FORD Administration has reacted strongly to the Turkish Government's threat of action against U.S. military bases in Turkey unless Congress lifts the embargo on arms deliveries imposed as a result of the Cyprus invasion.

Speaking in Atlanta last night, Dr. Henry Kissinger pointedly warned America's allies that they were not "doing us a favour" by remaining in an alliance with the U.S. Although no countries were mentioned by name, the Secretary of State was said to be thinking chiefly of Turkey, Greece and Thailand—which have all recently closed or threatened to close American bases for political reasons.

Dr. Kissinger went on: "Any ally whose perception of its national interest changes, will find us prepared to adapt or end our treaty relationship. No ally can pressure us by a threat of termination—we will not accept that its security is more important to us than it is to itself."

The Secretary of State again called on Congress to lift the ban on arms deliveries to Turkey, which he said was self-defeating and a threat to the collective security of the West. But by warning Ankara against making an issue of the U.S. bases, Dr. Kissinger was also trying to prevent a further escalation in the crisis, which might only strengthen Congressional hostility to Turkey.

Some conservative member of Congress have already reacted angrily to the Turkish threats against U.S. bases, arguing that the Administration should not allow itself to be blackmailed over what is supposed to be a matter of mutual security. Yesterday, President Ford and Dr. Kissinger met with leading supporters of the embargo in the House of Representatives, though without much visible progress. The Senate has already voted to resume arms supplies.

Dr. Kissinger's speech last night was also notable for the urgency of his language about the Middle East, which was underlined privately by his aides. The Secretary of State said: "We are now at a point where there must be a turn towards peace or towards crisis." He reiterated his refusal to accept further stalemate and then with great emphasis said: "The U.S. will protect all its interests in the area."

Subsequently aides explained that the heavy emphasis on the word "all" (which was underlined in the official text) was intended to signify that the U.S. has other vital interests in the area, besides ensuring the survival of Israel. Coming after President Ford's apparently none-too-easy meeting with the Israeli Prime Minister here ten days ago, Dr. Kissinger's remarks last night appear another attempt to press further concessions in the Sinai from the Israelis.

No pay, prices freeze in Canada

BY W. L. LUETKENS

MR. JOHN M. TURNER, the Canadian Finance Minister, announced that proposals for statutory control over wages and prices had been dropped because the public was not convinced that they were needed.

Of an effort to arrive at voluntary restraint on the part of labour and employers, he said in his Budget speech on Monday that it had been "valuable," leaving little doubt that the matter rests there for the moment.

The background to the Budget proposals, in Canada as in so many other countries, is a bout of both inflation and recession. The industrial production index dropped almost 7 per cent. from March, 1974, to March, 1975, and the price index rose by 11.1 per cent. from April to April.

Hopes are, however, rising that the economy will be on the mend around the turn of the year. Mr. Arthur Smith, head of the Conference Board of Canada, a private organisation which, in 1974, was among the first to forecast recession, is now speaking of a large cyclical expansion to come. Given that pattern, it had been widely held that Mr. Turner's budget should not attempt to force the economy in either direction.

Its biggest news content for Canadians was an increase of the domestic price of crude oil from $6.50 to $8.00 a barrel—a level where it still is way below world prices, calling for the subsidisation of imported oil which by now meets more than half the country's needs. The subsidy has been paid for support from an export levy on exports of oil, but these have been cut, an additional tax of 10 cents a gallon will be introduced on petrol.

Mr. Turner announced changes to corporate tax as levied upon resource companies (which includes mining and the extraction of oil)—an extremely contentious subject and one complicated by the Canadian federal system in which both the provinces and the central government levy taxes. The 50 per cent. rate of corporate tax on production profits of these companies and the 15 point abatement of their federal taxes (intended to compensate for provincial levies) will be replaced by the 46 per cent. rate of corporate tax generally applicable to all other companies.

But a resource allowance of 25 per cent. will be deductible from production income, calculated after operating expenses and capital cost allowances, but before exploration, development, and earned depletion. The net effect is intended to reduce the tax bill of those companies that increase their exploration budgets.

Brazil economy defended

BY HUGH O'SHAUGHNESSY

IN A politically-charged speech which is bound to have big repercussions in Brazil Sr. Roberto Campos, the Brazilian ambassador in London and a former Finance Minister of the military Government, has defended the Brazilian economic structure against charges that it was a "model of freebooting capitalism, malevolently indifferent to the suffering of the masses and unconcerned with the problem of the distribution of income."

Speaking at the signing ceremony of a $50m. loan for the construction of the Sao Paulo underground railway, Sr. Campos said that between 13 and 15 per cent. of the country's domestic product was being devoted to social spending.

The ambassador, sensitive to the increasing criticism there has been in international circles of Brazil's policies, said that his country wanted neither distributivism, immobilism, permissiveness nor repression in its society.

The Sao Paulo Municipality is raising the second $50m. loan for its underground in six weeks in the London market. The loan, managed by the European Brazilian Bank, is for 5 years with a two year grace period and an interest rate of 1⅜ per cent. above the London inter-bank rate.

Volkswagen engineers in U.S. plant study

By Guy de Jonquieres

NEW YORK, June 24.

VOLKSWAGEN appears to be pressing ahead with its exploration of the U.S. market and has dispatched a team of engineers to study the technical feasibility of producing cars in an existing American assembly plant.

The team's visit follows a U.S. trip made several weeks ago by Herr Toni Schmucker, the chairman of Volkswagen, during which he discussed with senior Chrysler executives the possibility of either purchasing a Chrysler plant or of sharing assembly facilities.

The Volkswagen engineers, who are in the U.S. for a week, spent yesterday inspecting Chrysler's ageing Jefferson Avenue plant in Detroit. A spokesman for Volkswagen of America said that he expected them to tour at least one plant owned by another motor company, though he declined to identify which one.

Meanwhile, in an unusual move designed to bolster its sales during the remainder of this year, Chrysler has announced that it is extending its current price rebate programme until next November and will offer rebates of $200 and $300 on all but three of its models.

The Volkswagen of America spokesman said that the visiting engineers have been directed to prepare a report only on the technical aspects of the various opportunities for assembling cars in the U.S. and will not select any particular factory. But their recommendations are expected to have an important influence on the Volkswagen board's eventual decision.

ILO resolution accuses Chile

GENEVA, June 24.

THE ANNUAL conference of the International Labour Organisation (ILO) to-day passed a resolution here accusing Chile of violating trade union freedoms. Voting was 236 in favour, with no votes against, and 106 abstentions.

The resolution urged the Chilean authorities to implement as soon as possible the recommendations of an ILO commission on human and trade union rights, to release trade union leaders in detention, to put an end to torture and ill treatment and to do away with special courts and special military tribunals. Reuter

THE CANAL ZONE

Panama steals a march

BY OUR PANAMA CORRESPONDENT

ARGENTINA has strengthened Panama's hand in its efforts to wrest control of the Panama Canal from the U.S. by withdrawing in favour of Panama its bid for one of two Latin American seats in the U.N. Security Council. At the same time, it has solidified Latin American support for Panama in what observers here feel may be an impending showdown. That showdown could be as much a result of U.S. domestic complications as of any failure on the part of the two countries to agree on the future of the canal.

For 11 years, since anti-American rioting against U.S. control of the canal zone cost 24 lives in January 1964, the two nations have tried in intermittent negotiations to arrive at a treaty to replace the 1903 treaty under which the U.S. controls the 550-square-mile canal zone "as if it were sovereign." In 1967, the negotiators reached agreement on a three-treaty package but it was shelved after becoming a political issue in the 1968 presidential campaigns. Negotiations began again under the present Panamanian administration of Brig. Gen. Omar Torrijos but were halted in 1972, apparently because neither side thought the other was in good faith. Since August, 1973, the U.S. Special Ambassador, Mr. Ellsworth Bunker, and the Panamanian Foreign Minister Sr. Juan Antonio Tack, have been engaged in a third round of negotiations.

During a whirlwind visit to Panama in January last year, the U.S. Secretary of State, Dr. Henry Kissinger, signed a Statement of Negotiating Principles with Sr. Tack. It was expected that a new treaty might be forthcoming by the end of 1974. The deadline was moved back, successively, to March, then June 1975. Now General Torrijos, who claims that Panamanians are becoming increasingly impatient, is speaking of a new treaty by the end of this year.

The Statement of Negotiating Principles lays down that a new treaty will be negotiated, that it will have a fixed termination date instead of the 1903 treaty's hated "in perpetuity" clause, and that the U.S. will continue to operate and defend the canal for the duration of the new treaty. The statement also said that Panama will participate in the administration and defence of the canal, that Panama will receive a more equitable share of the economic benefits of the canal, and that the canal zone will be returned to Panamanian jurisdiction.

The outstanding major differences concern the duration of the new treaty; the land and water areas to remain under U.S. control as essential to the operation and defence of the waterway, the increased economic benefits to Panama, and a provision for expanding the canal if necessary. Agreement has already been reached on jurisdiction over the canal zone, canal operation and canal defence, according to Mr. Bunker. Panamanian officials have indicated that the canal zone would cease to exist the day the new treaty takes effect and that within three years Panama will have taken over the services—police, post offices, fire brigades, and so forth at present provided by the U.S.

The time to avoid a showdown is running out.

Although these differences may be difficult to resolve, observers here believe that the real problems will come once the new treaty is signed and ready for ratification. It is expected that Gen. Torrijos would have little difficulty in obtaining ratification, to be by a nationwide plebiscite. However, in the U.S., where for many people the canal is an emotional issue, opposition to giving away what is regarded as a monument to U.S. ingenuity, has been building up for months, particularly in the Congress. Opposition has been stiffened by the losses to U.S. prestige in South-east Asia and elsewhere.

Led by Sen. Strom Thurmond, a Republican from South Carolina, 37 Senators earlier this year signed a Senate resolution demanding that the U.S. "should in no way cede, dilute, forfeit, negotiate, or transfer any of (its) rights power, authority or jurisdiction" over the Panama Canal. This group represents three more than the number needed to block ratification by the Senate. Opposition has been fuelled by a letter-writing campaign by the "Zonians" (Americans resident in the Canal Zone).

Yet at times Panama's policy makers seem at variance. Sr. Tack, during a recent extensive South American tour building support for Panama's cause, demanded the withdrawal of all U.S. military bases from Panama. However, Gen. Torrijos has said that he would be willing to let the U.S. keep its 14 bases, provided Panama secures an equitable treaty, including jurisdiction over the canal zone where the bases are located.

Subsequently it was announced that a 212-man contingent of the Panamanian National Guard was undergoing a three-week U.S. Army jungle operations course in the canal zone. One U.S. resident there wondered if "they are training them to fight us."

At the same time, Panama continues to use every available international forum to keep up the pressure. Hardly a week goes by without Panama raising the canal issue at some international conference. Panama feels that the international pressures built by the Security Council meeting here in March 1973, prompted the U.S. to begin again serious negotiations for a new treaty. That the anti-U.S. statements emanating from these forums may make it all the more difficult to get a new treaty seems of little account. Nonetheless, Panama's much improved foreign policy skills have enabled the country to wield more weight in hemisphere meetings than its small area and 1.6m. people appear to warrant. That became particularly evident in Panama's skilful manoeuvering to obtain the seat on the Security Council originally expected to go to Argentina. Latin America has two of the ten elective seats in the Security Council. Under accepted practice, the General Assembly elects countries nominated by regional blocs for membership in the Security Council. The strategy for obtaining the seat for Panama was hatched by the "Contadora bloc" — Panama, Colombia, Costa Rica and Venezuela—so-called because the chief executives of these four countries met in March on Contadora Island, off Panama's Pacific coast.

Argentina, which was already assured of enough votes to obtain the Security Council seat, at first declined to step aside for Panama, but subsequently agreed to do so if an Argentinian was elected to replace Sr. Galo Plaza as Secretary General of the Organisation of American States. Panama then pressed for the nomination of the Argentine Ambassador to Washington, Sr. Alejandro Orfila, for the post. The election was held last month and Sr. Orfila won a close race. In mid-June, Argentina withdrew its bid for the Security Council seat, clearing the way for Panama's assured election later this year.

Without such a solution, Gen. Torrijos might elect not to restrain Panamanians from another outbreak like that of 1964, despite the havoc it would wreak on an economy battered by the recession and the energy crisis. Politically, an outbreak would benefit the Left and further weaken the Right in Panama. Confrontation would further exacerbate U.S. relations with its "good neighbours" to the south. The time to avoid a showdown is running out.

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Rhodesian envoys in talks with President Kaunda

BY TONY HAWKINS

SALISBURY, June 24

FOR THE FIRST time since Rhodesia declared UDI nearly *ten years ago*, a Rhodesian Cabinet Minister has paid an *official visit* to Zambia and held talks with President Kenneth Kaunda.

This was confirmed tonight by *a Rhodesian Government spokes*man who said that last Friday the *Minister* of Information, Immigration and Tourism, Mr. Wickus de Kock and four backbenchers from the ruling Rhodesian Front flew to Lusaka. The five-man delegation met Dr. Kaunda, farmers, businessmen, senior government officials and some other Ministers, before returning to Salisbury on Sunday evening.

"The visit was made in the hope that it will assist in a search for a peaceful solution to the problems of a Rhodesian settlement," the official statement said. It *gives no further details.*

This is the first time that the Rhodesian Government *has held* such talks with Zambia—which *has persistently refused to recog*nise the illegal regime—since *1965. From this* viewpoint, it must be seen as an important development. It is likely also to harden suspicions in certain militant African nationalist quarters that the Zambian Government is willing to participate in what the nationalists here would regard as a "sell out" with Mr. Smith and with the ZAPU leader, Mr. Joshua Nkomo is President Kaunda's favourite for leadership of the Rhodesian nationalist movement and in the past few weeks tension between Mr. Nkomo and other leaders of the African National Council has been growing.

Meanwhile, *President Dupont* announced that the government *is to introduce* legislation next month indemifying the security *forces against* civil and criminal actions arising from anti-terrorist operations. Announcing this in his speech from the throne at the official opening of a new session of the Rhodesian Parliament to-day, Mr. Dupont said it was wrong that "bona *fide actions done in the* national interest should lead to litigation against those alleged to be res*ponsible." The President said it* was unfortunately inevitable that *anti-terrorist activity* by the security forces "sometimes causes injury and loss to civilians."

The move follows a number of actions brought by tribesmen *against members* of the security forces in the wake of the publication of two "dossiers" by the Roman Catholic Commission of Justice and Peace alleging brutality by the security forces in the course of anti-insurgency operations.

In his address, Mr. Dupont said that the Rhodesian Government hoped to establish "friendly contact" with the new Government in Mozambique which takes office to-morrow. Mr. Dupont's hope for friendly links comes at a time when there is increased speculation in Salisbury that the new Mozambique Government will not after all announce that it is closing the border with Rhodesia. An anouncement not to close the border at this stage would give a boost to flagging business morale.

Meanwhile, in a statement, *Bishop Muzorewa, leader of the* African National Council, has appealed *to all Zimbabweans* "*to* rejoice with the people of Mozambique in peace while going about their business in a normal way."

His appeal follows persistent rumours of industrial and other disturbances in Rhodesia tomorrow to coincide with Mozambique's independence.

General lays blame for new Luanda fighting

LISBON, June 24.

SHOOTING AND mortar fire broke in Luanda, the capital of *Angola, yesterday — the first* flare-up of violence there *since three rival liberation* groups agreed last Saturday *to end all hostilities.*

In a statement released here to-day, the Portuguese High Commissioner in Angola, General Antonio Silva Cardoso, accused two of the movements of violating the week-end agreement by delaying the release of their prisoners and carrying out further illegal arrests.

The general said armed bands were roaming Luanda, some of them wearing uniforms of the liberation movements, "because of the fear this arouses in the population." Soldiers belonging to the liberation movements had been involved in unspecified actions against civilians and rival troops, the general said, and he warned that a wave of terrorist actions might soon be launched in Angolan cities following the appearance of booby-trap bombs.

General Silva Cardoso said that, "in particular," the Marxist Popular Movement for the Liberation of Angola (MPLA) and the Zaire-based National Front for the Liberation of Angola (FNLA) had increased the population's feelings of insecurity by continuing illegal arrests.

He did not say who was involved in yesterday's fighting, which broke out in Luanda's black slums, but the *only movement which escaped* mention in to-day's statement was the National Union for the Total Independence of Angola (UNITA).

A meeting in Kenya between representatives of the rival movements last week—following several waves of fighting that left over 1,000 dead—produced the agreement to end all violence and a pledge to work together for unity.

Reuter

EGYPT

Economics of war and peace

BY MICHAEL TINGAY

THE ROLLER coaster of Egyptian indebtedness is gaining *momentum without any apparent* benefits. Too large an amount *of the borrowing was to pay for* consumption. What makes *matters worse is that the debt is* a hydra, some of whose heads are buried in the sand: the military debt, for example, is an *unknown quantity*, the exact nature of which is a military secret but also one adjustable to political circumstance. It is generally reckoned to be the equivalent of $8bn.-$10bn.

Managers of the Egyptian economy not only have to service the debts and finance consumption for 38m. people, but they also try to do so while about 25 per cent. of GNP is channelled into military areas over which they have no control. Since 1967 the proportion of GNP spent on the armed forces has risen from 9 per cent. to 25 per cent.

Egypt's total indebtedness to the West (including short-term borrowing) is estimated to be about $3bn., while East bloc loans for civilian projects are known to have amounted to some $900m. at the end of 1973. The Western debts were rescheduled by agreement after the October War of 1973. The Egyptians have been pressing the Soviet Union to declare a 10-year *moratorium on all debts*, something which Moscow has resolutely resisted. This debt is largely paid in exports of cotton, reducing the hard *currency* earning capacity of the country.

Parallel

Dr. Zaki Shâfei, Egypt's *Economics Minister, has* explained that "payment is a *matter of priorities and we must* look first to our short-term com*mitments." Short-term Egypt* owes more than £E900m. (£965m. at the official rate of exchange, but £620m. at the more realistic "parallel," or tourist, rate and roughly £560m. on the black market) in external commercial debts, mainly three- to six-month banking facilities but extending up to 18 months in some cases. Dr. Shafei adamantly denied reports circulating in Cairo that Egypt is overdue to the tune of £E75m. on bank-to-bank arrange*ments and that the total sum* overdue on these and on supplier credits is £E95m. But he did admit that it was three months behind with supplier credits and one month with back-to-bank loans.

Egypt is currently trying to pay £E75m. per month to service these facilities—hence the regular trips to various oil-rich neighbours for cash. In March Iran came forth with £E120m. and in April Kuwait provided £E100m. The current account deficit last year was £E527m., more than twice the 1973 figure. Many economists here have voiced privately their worries about *increasing* dependence on capital inflows to straighten the books. *They are optimistic, however,* that the 1975 current account will ease because of receipts from the Suez Canal, increased tourist revenue, and the general fall in commodity prices which make up much of the import bill. Other observers believe that optimism would be more in place for 1976 than for the current year.

"The payments deficit is not so important," claims the recently appointed Minister of Finance, Dr. Abu Ismail, who refuses to look on the gloomy side, alluding to massive financial support which is expected within six weeks. "If the picture *were as bad as you say* you would not find me as relaxed as I am," he *said* in a recent interview. Observers believe that Dr. Ismail's *optimism stems* from a commitment by Kuwait to *provide* £E500m. *on conces*sionary terms to ease the colossal short-term debt servicing until the end of 1975. The money will be paid in four or five instalments before the end of July, according to well-informed sources in Cairo who say that more help is on the way from Arab States. This will enable Egypt to pay overdue instalments and cover short-term debts, but it is clearly no more than another commitment which will itself have to be repaid. Beyond that there is talk, which may contain a large element of wishful thinking, that up to $2bn. may be obtained. However, a figure of that order was being mentioned at the time of the Salzburg meeting between President Ford and President Sadat as the size of the "Marshall Plan" type aid package proposed by the U.S.

The new Cabinet is re-examining economic priorities which will place renewed emphasis on agriculture and less on reconstruction according to *Dr. Ismail. The area given* to wheat will rise 30 per cent. *this year and there will be more* rice cultivation, it is learned here from reliable sources. The area under cotton will be reduced by 20 per cent. and, reflecting this change, Egypt signed two weeks ago a $6m. deal with China to import short staple cotton and textiles.

Egypt is running two races, the race to pay for consumption *and that of post war reconstruc*tion which is linked to Egypt's open-door policy. The last Administration claimed to have obtained investment commitments of $3.2bn. including $636m. from Saudi Arabia, $258m. from the United Arab Emirates, $580m. from Iran and $40m. from Qatar, as well as sources like the U.S. and Japan, for joint ventures in industry, banking, tourism, and to a very limited extent infrastructure. The reconstruction programme has *already transformed the face of* Suez and Ismailia and even of *badly damaged Port Said which* are suddenly coming back to life *following the reopening of the* Canal.

Ventures

But the *real reconstruction*— of factories and industries for export and for import—substitution and infrastructure—is still delayed. Joint ventures await their feasibility studies and will not contribute much to economic activity and export earnings for some years. It is difficult to escape the impression that the big investors are delaying the last steps toward participation in the Egyptian economy until Egypt's debt position is clarified —and also, presumably, until the prospects for a lasting peace settlement are clearer.

But the arrival of huge sums of money lent on medium repayment terms does not obviate the basic problem. Money to settle short-term debts will only enable Egypt for a period to run *in order to stand still.* Worse, the danger is that, with *the government's immediate dis*comfiture relieved, it will give way to pressures for increased consumption—which could be followed by further borrowing.

If Arab money flowing into Egypt is not husbanded with greater care than the A loans of the past 12 months, money expected from Kuwait and other Arab countries could become as unproductive as the monthly trips this year to the Gulf to keep the Western short-term creditors from the door. The fear is that Egypt could return after six months or *a year to a state of affairs like* that of to-day where the only *obligation met punctiliously* appears to be the $16m. a month which pays for *imports* of Australian wheat. This vital commodity does not leave Melbourne until 35 per cent. of the shipment cost is paid. Non-delivery in Egypt would in the words of one diplomat "bring rioters to the streets and threaten the regime."

Egypt is in the throes of a heated debate about how best to use available foreign exchange. The implications reach further than the ability to feed the Egyptian masses and reach *the economic take-off point.* Last year President Sadat admitted, *after all*, that the *bankrupt state* of the economy was one of the *factors leading to the decision to* go to war in 1973.

Mozambique independent to-day

BY JANE BERGEROL

LOURENCO MARQUES, June 24.

THE PORTUGUESE flag was due to be lowered here at midnight to-night and the new national flag of independent Mozambique hoisted in its place, as over 500 years of Portuguese rule ended and Frelimo took over the newly independent country with broad historic consequences for 8m. Mozambiquans and for the whole of southern Africa.

Mozambique's future president, Samora Machel, entered the capital city yesterday, where he was given a tumultuous welcome by blacks and whites, at the end of over three weeks of a royal progress through the country.

Portugal's Prime Minister, General Vasco Gonçalves, headed a Lisbon delegation arriving here this afternoon for the handover. Only a few Portuguese troops remain in the country; while many white Portuguese settlers, who fled the country after last September's race riots and killings, have already begun to return with hopes of finding a role in the new socialist Mozambique that Frelimo intends to build.

Streets are decorated with the new Frelimo flag, an open book, a Soviet automatic rifle, a hoe and a wheel and with portraits of Frelimo's leaders: Eduardo Mondiane, assassinated by a letter bomb in 1968, Machel himself, Marcellino dos Santos, to be appointed vice-president, and Josina Machel, the heroine of the Mozambiquan women's organisation.

To-night the city stadium will be the scene for independence celebrations and the ceremonious changing of the flags. Early tomorrow morning Samora Machel will be sworn in as the country's first President and head of the Frelimo party. He is expected to make an important speech reaffirming Frelimo's tough line against the Rhodesian white minority regime and reiterating Frelimo's clear condemnation of South Africa.

Hanoi renews military pressure

BY KEVIN RAFFERTY, ASIA CORRESPONDENT

THE EARLY HONEYMOON between North Vietnam and its newly-Communist partners in Indo-China appears to be at an end, and Hanoi is resorting to tougher measures to retain its influence in Cambodia and Laos.

According to Western sources, there have been several serious clashes between North Vietnamese regular troops and Khmer Rouge units inside Cambodia; and there were battles earlier this month between the Cambodians and Vietnamese Communists for control of disputed islands in the Gulf of Thailand.

Diplomats in Bangkok, quoted by Reuter, reported yesterday that major North Vietnamese troop movements were going on inside Laos. Nine battalions of North Vietnamese were moving from the north towards the key Sala Phou Khoune road junction 100 miles from Vientiane. In addition the diplomats claimed that two divisions of North Vietnamese had recently entered the country from the south.

Getting reliable information is *difficult especially in Cambodia* but in a broadcast this week Radio Phnom Penh reported: "We have decided absolutely to *defend our country*, the motherland, democracy, independence, *neutrality and especially* our land, our sea, our islands, our *air space*."

The Bangkok Post reported *yesterday that fighting had* broken out between the Khmer *Rouge and 2,000 men supporting* the Right-wing anti-Communist *cause. But it is unlikely that* such a group could bring down the new Government.

Hanoi has so far not been allowed to open an embassy in Phnom Penh, and the sympathies of the new leaders in Cambodia appear to be more with the Chinese than with the North Vietnamese, whom the Khmer Rouge are beginning to see as a threat to their independence. The re-opening of old, nationalist squabbles over control of the Poulo *Wai* islands in the Gulf of Thailand seem to have increased the old antipathies. The Vietnamese moved in and seized the islands, which are greatly valued because they command the offshore areas thought to be rich in oil.

Troop movements within Laos are *also puzzling, unless part of* a Moscow-Peking struggle within *the Communist camp, or of a no*-nonsense line from Hanoi. Only last weekt he Pathet Lao radio declared that the main struggle against the Vientiane side had been won.

But in winning this struggle, pro-Peking members of the Pathet Lao appear to have come to the fore. The Bangkok diplomats say that the forces' movements by the North Vietnamese are part of an attempt by the pro-Moscow group in the Pathet Lao to regain the ascendancy.

Sadat summons top aides

CAIRO, June 24.

PRESIDENT Anwar Sadat called a meeting of his top political and military aides to-day to consider the latest word from Washington and Jerusalem on future Middle East peace moves, *diplomatic* sources said.

Participating in the *session* in Alexandria, where Mr. Sadat is *currently staying*, were Vice-President Hosni Mubarak, *Premier Mamdouh Salem*, War Minister Gen. Mohamed Gamassy *and Foreign Minister* Ismail Fahmi.

The *sources said the purpose* was to formulate a position on Israeli ideas and American conclusions concerning progress toward peace conveyed to Mr. Sadat by U.S. Ambassador Hermann Eilts. Mr. Eilts met President Sadat for one hour yesterday, less than 24 hours after the ambassador had returned from Washington, where he was briefed on the outcome of Israeli Premier Rabin's talks with President Ford and Secretary of State Kissinger earlier this month.

The sources said that *Mr. Eilts* passed on to Sadat Israeli ideas *on further peace moves and, more* specifically, a possible second-*stage disengagement agreement* with Egypt on the Sinai front.

Mr. Eilts also was believed to have given President Sadat *American views emerging from* the Middle East policy review undertaken following Mr. Kissinger's failure to mediate on Egyptian-Israeli interim agreement last March, the sources said. UPI

Reuter reports from Jerusalem: A Parliamentary committee to-day overturned a recent decision to boost the country's defence budget by Israeli £500m. (about £35m. sterling). The effect of to-day's vote was to restore the original defence budget of Israeli £22bn. (about £1.5bn sterling).

New violence in Beirut

BY IHSAN HIJAZI

BEIRUT, June 24.

FIRING broke out again to-day in two suburbs of this Lebanese capital after a lull of two weeks. *Sporadic shooting in the Chiyah* and Ain Al Rummaneh suburbs was *still continuing this after*noon while security forces and *joint patrols of Lebanese Army* and Palestinian guerilla *personnel were trying to check* the deterioration of the situation.

These two neighbourhoods were trouble spots during the clashes in April and last month between Palestinian Commandos and members of the Right-wing Phalangist Party. Palestinian sources said the commandos were not involved in to-day's tension, and that the shooting was between Phalangists and armed members of rival groups in the two districts.

The tension erupted *last* night over a personal dispute after two *Iraqi nationals* were beaten up, reportedly by Phalangists, after *they tried to pick up a girl* at Ain Al Rummaneh. One of them was *so* badly hurt that he had to be taken to hospital, Press reports said.

The outbreak of firing over a personal *incident indicates how* combustible the situation here *remains.* This is blamed primarily on the continuation of the political crisis which has prevented the formation of a new Cabinet under Premier-designate Rashid Karami. It is now four weeks since Mr. Karami was asked by President Suleiman Franjieh to put a Government together. Demands and counter demands by Leftists and Phalangists are the cause of the delay.

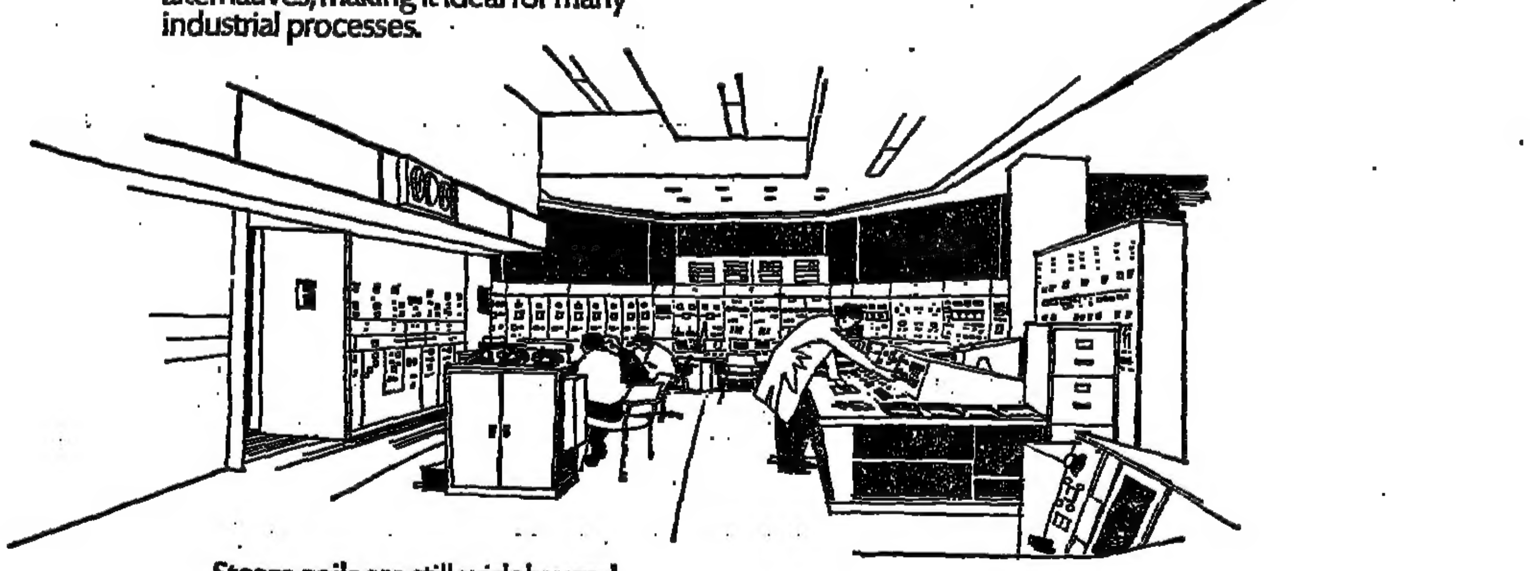
Australian energy Bill ruled invalid

CANBERRA, June 24.

THE HIGH COURT of Australia to-day ruled that legislation establishing the Government's controversial Petroleum and Minerals Authority was invalid. By a 4—2 majority the court held that the Bill had not met constitutional procedures for presentation to the Senate before it was passed by the first joint sitting of the two houses of the Australian Parliament last July.

The Minister for Minerals and Enery, Mr. Rex Connor, immediately announced that the Government would reintroduce the legislation as soon as possible after Parliament resumes on August 19 for the Budget session.

In the meantime, the authority's operations were being conducted on an almost business-as-usual basis through a company incorporated in Canberra four months ago, Petroleum and Minerals Company of Australia.



Carli quits as Italian Bank Governor

BY ANTHONY ROBINSON

ROME, June 24.

SIG. GUIDO CARLI. Governor of the Bank of Italy, formally presented his resignation to Prime Minister Aldo Moro to-day, proposing as his successor the Bank's Director-General, 63-year-old Sig. Paolo Baffi.

Sig. Carli, who has been Governor for 15 years, was accompanied to the Cabinet Office by Treasury Minister Emilio Colombo. After the hour-long meeting the Prime Minister's Office issued a statement that said both the Prime Minister and Sig. Colombo had asked Sig. Carli to remain.

However. Bank of Italy sources said that Sig. Carli would stay only long enough for the formal nomination of his successor.

To-day's news was received calmly, both on the foreign exchange market and on the Bourse, where share prices steadied to-day after the heavy losses in the aftermath of the sweeping Left-wing gains in last week's regional elections.

The trade-weighted lire devaluation index actually improved marginally, to 20.83 from 20.35, without any help from the Central Bank, while the parallel, or "black market" rate firmed to 645 lire against the dollar from 665 yesterday.

Sig. Carli's resignation had been impending for some time. At the end of May he told the annual meeting of the Bank of Italy that he had first proposed his resignation back in 1970 and had repeated it on other occasions. Only the proximity of the regional elections had stopped Sig. Carli from insisting on his resignation after the Central Bank meeting.

The man who saved the lira

BY ANTHONY ROBINSON, ROME, June 24

IRONICALLY, there could be no finer tribute to Sig. Guido Carli's value as Governor of the Bank of Italy than the fact that the lira has come virtually unscathed through two events which the conventional wisdom has long considered the signal for a massive run on the currency: A sweeping Communist electoral advance, and confirmation of Sig. Carli's own resignation from the post he has held for nearly 15 years.

To-day, accompanied by Treasury Minister Emilio Colombo, Sig. Carli called on Prime Minister Aldo Moro at the Cabinet Office in Palazzo Chigi finally to dispel any lingering doubts that he intends to resign.

The doubts had arisen because he revealed at the annual meeting of the Bank of Italy on May 31 last that he had first notified the then Treasury Minister of his intention to resign as long ago as 1970 and had subsequently repeated his offer several times. Five hours later Sig. Colombo in the name of the Government asked him to stay at his post. Silence then reigned until last night when Sig. Carli made known that he had merely waited until the regional elections were over before repeating his resignation in separate letters to the President of the Republic, the Prime Minister and the Treasury Minister.

So Sig. Carli is about to resign, and he has let it be known that his choice for the succession is that of 63-year-old Paolo Baffi, the current Director-General of the Bank of Italy.

Sig. Carli's choice of Sig. Baffi is significant. It reflects a growing consensus of opinion in both financial and political circles that the independence of the Bank of Italy should be maintained and not be compromised by the appointment of a man from the wider banking world outside where political appointments have become the order of the day during the last decade. A year ago, for example, Sig. Ferdinando Ventriglia, chairman of the State-controlled Banco di Roma, was mooted for the post. That aroused fierce opposition from the Republican and Communist Parties in particular to what looked like the possible entry of a man linked with elements of the Christian Democrat Party into one of the few Italian institutions which had managed to keep at bay the political patronage system.

Inevitably, however, Sig. Carli has not been able to avoid involvement in many of the most delicate politico-economic situations. He held, for example, the casting vote which confirmed Sig. Eugenio Cefis as chairman of Montedison in 1972 and also played a key and controversial role in the Sindona rescue operation.

This last cost the Italian taxpayer an estimated $250m. in order to maintain international confidence in the ability of the Italian banking system as a whole to honour its debts. For this Sig. Carli encountered bitter criticism for his involvement in a "regime scandal" which obviously left its mark on him.

In spite of this, however, the preservation of the Bank of Italy as an efficient, independent institution is widely recognised to be one of Sig. Carli's principal achievements. But it has been an increasingly difficult position to maintain in the face of a progressive deterioration in the quality of Italian institutions as the Christian Democrat-dominated centre-left coalition governments have latterly coincided with a decline in the quality of government. This has been particularly evident in the economic field and has left the Central Bank to assume a whole series of responsibilities which far exceed the normally recognised functions of such an institution.

> **The preservation of the Bank of Italy as an efficient, independent institution is widely recognised to be one of Sig. Carli's principal achievements.**

The inability to create effective economic planning instruments or even a moderately efficient fiscal system, not to mention a modern capital market or an efficient system of budgetary control over central and local government expenditure, has meant that the Italian Central Bank has become practically the only effective instrument of macro-economic policy available.

Running a complex economy on monetary policy alone has been likened by Sig. Carli to "driving a car with only a brake and an accelerator." Given the nature of the vehicle, Sig. Carli and the highly qualified team he has built up at the Bank of Italy have done an excellent job. But restoring confidence in the lire has been achieved at the cost of a massive domestic recession which has clearly underlined both the limits and disadvantages of running the Italian economy in this way. It has increased the demand for "a new way of running the economy" which is one of the underlying causes behind the Left-wing advance and Christian Democrat decline in the recent elections.

Sig. Carli has been one of the clearest and most consistant critics of this tendency to burden the Central Bank with tasks which are the proper responsibility of others. His resignation, made morally possible by the recovery of confidence in the lire, can be seen therefore as the long-meditated gesture of a man who feels that he has done all, if not more, than could be reasonably asked of a central bank governor, while clearly inferring that the burden of his successor must be lightened by the rapid creation of the kind of fiscal and economic instruments which flank monetary policy in most other advanced economies.

At 61 years of age, Sig. Carli is far from a spent force both physically and intellectually. He is one of a very small number of Italians who enjoys high esteem and respect internationally. His unprecedently wide and deep experience of the Italian economy, his grasp of monetary theory and international financial and economic affairs make him a natural candidate for a position at the head of an international body or as a top level consultant. After 15 years of running the Bank of Italy he would clearly welcome new challenges.

Law, order crisis looms for Turkey coalition

ANKARA, June 24.

FEARS THAT Prime Minister Suleyman Demirel's right-wing coalition government may not be able to maintain law and order in Turkey have been heightened by clashes between Social Democrats and right-wing religious and racist fanatics which left two people killed and over 200 people wounded or arrested.

A major clash, lasting well over 12 hours, occurred yesterday in Diyarbakir, the biggest city in eastern Turkey whose population is predominantly of Kurdish origin. It started when the so-called commandos of the Nationalist Action Party (NAP), neo-Fascists led by former Col. Alparslan Turkes, hoisted their flag over the medieval Diyarbakir Castle.

Members of Bulent Ecevit's Social Democratic Republican People's Party (RPP) pulled the flag down and burnt it, replacing it with their own flag. Tanks and army units had to be called in to suppress the ensuing street fighting in which clubs, stones, pistols and explosives were used. Two people, including an army private, were killed, and over 100 people were wounded or arrested.

To-day, university students in Ankara shot and wounded six policemen, two of them gravely, when they took into custody several students distributing leaflets. Last week the commandos attacked and disrupted a rally led by Mr. Ecevit in a small Anatolian town.

Mr. Ecevit said that the Government must either govern or resign. "No state, however strong it may be, can survive in the face of anarchy, aggression and brute force allowed by its own government," he said in a heated speech. "No people with self-respect, however much patience it may have, can tolerate so much pressure and brute force."

David Buchan adds: Britain should ban arms sales to Turkey immediately, Mr. George Mavros, leader of the Greek opposition and head of the Central Union New Forces group told the Royal Institute of International Affairs in London yesterday. "As a guarantor of the independence and sovereignty of Cyprus," Britain had even more of a duty to take such action than the United States, where the Congressional ban on arms sales to Turkey is still in force.

Cautious EEC reaction to Greek bid for membership

BY REGINALD DALE, COMMON MARKET CORRESPONDENT

LUXEMBOURG, June 24.

THE NINE EEC Foreign Ministers to-day reacted cautiously to Greece's request for full Common Market membership officially tabled in Brussels earlier this month. The Ministers decided simply to "take note" of the application from Athens, rather than give it an official welcome, and set no time limit for the advisory report that must now be drawn up by the Brussels Commission.

Informally, however, Dr. Garret FitzGerald, Irish Foreign Minister and Council President, may take a slightly more forthcoming line when he visits Greece to-morrow for a meeting of the EEC-Greece Parliamentary Association. The EEC's "big four"—Germany, France, Britain and Italy—all wanted the Nine to give a more positive welcome to the Greek request to-day.

Ireland, however, is far from enthusiastic over the prospect of another country joining the queue for cash from Community funds, and the Benelux countries are also concerned that Greek membership might lead to a dilution of the present nine-nation Community. Dr. FitzGerald to-day pointed out that the then Six had not officially welcomed the original membership applications from Britain, Ireland and Denmark.

It is already clear that Greece faces a long haul before achieving full membership, which was originally not envisaged until the 1980s under the country's 1962 Association agreement with the Community. However enthusiastic the "big four" may want to appear outwardly, none of the Nine are likely to be in any real hurry to start new enlargement negotiations.

Following to-day's discussions, the Ministers are also to take steps to re-assure Turkey, which has already expressed considerable concern at the prospect of Greek membership giving Athens the right of veto over any future Turkish entry bid. The Nine are to tell Ankara that the Greek move will not lead to any economic or political disadvantages for Turkey.

Meanwhile, Mr. John Christophidis, the Cypriot Foreign Minister, said that his Government would support both Greek and Turkish EEC membership if the two countries fulfilled the requirements for entry. He was speaking at a Press conference here after a meeting of the EEC-Cyprus Association Council, at which he strongly complained at continuing imports by some EEC countries of citrus fruits from the Turkish-occupied part of the island.

Mr. Christophidis said that most of the country's orchards, 80 per cent. of which are in the Turkish-controlled zone, had been taken over from their Greek Cypriot owners. Exports of the fruit by the Turkish authorities, some of which was shipped as being of Turkish origin, was "unfair" and against international law, he claimed.

He was hopeful, nevertheless, that the Community would in general respond positively to the island's needs, "conscious of the serious social, economic and political repercussions of the present state of affairs." Cyprus has for some time been seeking improved access for its agricultural exports and provisions for financial aid under its association agreement with the Community.

Meanwhile, Dr. FitzGerald told a Press conference that the Community should take early steps to grant economic aid to Portugal and should support proposals by the Brussels Commission. The Commission is informally suggesting that the Nine should offer Lisbon $400m. worth of immediate aid, but the national governments are unlikely to agree to such a figure.

July security summit unlikely

BY OUR OWN CORRESPONDENT

GENEVA, June 24.

DELEGATES at the European Security Conference generally agreed to-day that a summit meeting in Helsinki at the end of July is now extremely unlikely. As one leading diplomat said: "We are moving more and more towards October."

It had been hoped that the EEC Foreign Ministers meeting in Luxembourg would be able to give the Community delegation in Geneva authority to set a summit signing date this Thursday. But this depended on completion of the section on human relations, and last-minute complications to-day made this impossible before Friday of next week.

Further, there is still no sign of agreement on prior notification of military manoeuvres which Western countries require before agreeing to a summit date.

Finland requires four weeks to make the necessary security and logistical arrangements for the 35-nation summit. Thus, the July 22 proposal made by Soviet leader Leonid Brezhnev to-day became impossible. The Finns themselves have suggested July 28, which would imply completion of all basic issues next Monday—again extremely unlikely according to many delegates.

The idea expressed last week by French President Valéry Giscard d'Estaing to hold the summit in early September is also ruled out by the Finns, who will at that time be in the middle of an election campaign.

Meanwhile, the Co-ordinating Committee, which is responsible for setting the summit date, will meet as scheduled on Thursday. But officials said a further meeting will probably now be held next week.

Strauss charms the CDU

BY JONATHAN CARR

MANNHEIM, June 24.

WITH AN ATTACK on the policies of the West German coalition and a pledge of support in a united attempt to overthrow Chancellor Helmut Schmidt, the ebullient Bavarian leader, Herr Franz-Josef Strauss, to-day won over an initially-cool congress of his political allies.

Applause for Herr Strauss was lukewarm when he mounted the rostrum here to address delegates to the Congress of the Christian Democratic Union (CDU)—the party with which his own Bavarian CSU is allied. But with a briskly-delivered speech on the Government's alleged failings, mixing irony and fury in about equal measure, and with some elaborate bouquets for the CDU leader, Dr. Helmut Kohl, Herr Strauss finally raised a warm response and even a few tears.

تابع اصل الاصل

'No fundamental changes after Franco,' says Arias

MADRID, June 24.

THE SPANISH Premier, Señor Carlos Arias Navarro, said to-day that Spain was facing the transition from General Franco to Prince Juan Carlos but warned that this would mean no fundamental change in the régime.

"Spain and the régime are not being liquidated," Señor Arias said in a speech before the Cortes (Parliament). "The régime has both the will and the capacity to remain . . .

"We proclaim our intention to maintain intact our heritage. We proclaim this not only for ourselves, but before the whole country, before the new generations and before world opinion which seems to watch events in Spain with an expectation which a serious analysis of the facts cannot justify."

Without hinting at the date of the stepping down of the 82-year-old General Franco, Señor Arias said Spain was facing the transition "from a personal and fundamental régime to an institutional régime, from a charismatic legitimacy to national legitimacy, from political protagonism of Franco to the protagonism of the Spanish people."

He praised Juan Carlos, Franco's 37-year-old designated successor and heir to the vacant Spanish throne as a "symbol of security" for the Spanish people.

Speaking at a time of growing political pressures and anti-Government activity, the 66-year-old Premier renewed promises of gradual political reform, provided they do not touch the essentials of Gen. Franco's authoritarian Right-wing régime which emerged from the civil war 36 years ago.

At the same time, Sen. Arias said the Government will use every means to maintain public order. He promised a cheering parliament that the fight against "Communists and their allies" will be intensified through special legislation which the Government will introduce shortly.

"The spirit which has filled our régime from its first moments obliges us to draw a line which rapidly excludes Communism in its various tendencies, shapes and appearances," Sen. Arias said.

"Apart from using all the means already at our disposal, the Government will submit, before the end of the year, special legislation on the matter."

Government sources had predicted the Premier's speech would spell out the "second phase" of a programme of cautious political reform which he announced 16 months ago, shortly after he succeeded Premier Luis Carrero Blanco who was assassinated in a Madrid street.

But the 5,000-word speech turned out to be one of Sen. Aria's most conservative. He ruled out what he called a "democratic rupture" with the system and a reform of the constitution as well, saying that the present constitution gave enough leeway for a slow change of regime. Apart from the project for an anti-Communist law, the speech contained few new proposals.

Sen. Arias said the government planned to deepen social justice through a tax reform on which it would draw up a White Paper within a year.

UPI

Mitterrand tries to cool Republica row

BY ROBERT MAUTHNER

PARIS, June 24.

FRENCH Socialist leader Francois Mitterrand to-day tried to pour cold water on the French Left's latest row, which was sparked off by the publication in a French newspaper of a document, purportedly Soviet, that advised Western Communist parties on how to ferment subversion.

Speaking at a luncheon of the Anglo-American Press Association, M. Mitterrand, without fully committing himself, strongly implied that the document was a fake, an opinion shared by the majority of French and foreign observers.

The document was included in a special edition of the strife-torn Portuguese Socialist newspaper República which was published yesterday as an insert in the Left-wing Paris daily Le Quotidien de Paris.

Portugal's crisis of authority, Page 16

Meanwhile, the French Communist Party newspaper, L'Humanite, lambasted the Portuguese Socialist Party and particularly its leader Señor Mario Soares, for having used the República conflict to influence French political opinion and for mounting an anti-Communist operation.

"This time they (the Portuguese Socialists) have gone too far. They have been caught red-handed circulating fake documents," the newspaper said.

M. Mitterrand said to-day that he did not have proof one way or the other of the document's authenticity. But, while defending República's absolute right to be published both in Portugal and France, he said it was difficult to believe that such a confidential document from Moscow could circulate as freely as it had done. The French Socialist Party had had a copy for about a week.

● The official Soviet news agency Tass said to-day that the alleged Kremlin instructions were "a direct political forgery."

Roger Matthews writes from Lisbon: Political prisoners in Portugal belonging to a banned Maoist Party declared to-day that they had started a hunger strike as a protest against "beatings" and to back their demands for visits from "non-Fascist doctors," their own lawyers and relatives.

Wall posters appearing in the early hours of this morning in Lisbon outlined the complaints of the prisoners. They claimed to have been beaten and to be suffering from a number of illnesses apart from the injuries received at the hands of the military.

The total number of political prisoners in Portugal is estimated at about 1,500, some 1,000 of whom are members of the former political police, PIDE. Interrogation of the PIDE members has resumed following a lengthy delay, and a few have been permitted to see their lawyers. However, they are in an equivocal position as they do not seem to fall within the established judicial system. The Justice Ministry says that the matter is outside its competence as PIDE was a paramilitary organisation. Therefore it is up to the military to bring them to trial.

Basically this means Copcon, which has emerged as a highly potent force. As part of its internal security role Copcon has basically taken over all the files of PIDE, which include important information about some military officers now holding fairly senior posts. General Otelo Saraiva de Carvalho was formally promoted yesterday to Supreme Operation Commander of Copcon, a move that confirms the crucial role he seems almost certain to play in the development of the 14-month-old revolution.

THE SOVIET UNION AND THE THIRD WORLD

Little aid on tough terms

BY DAVID LASCELLES, EAST EUROPE CORRESPONDENT

WHEN THE Soviet Foreign Minister, Mr. Andrei Gromyko, suggested at the UN that rich countries should cut their defence budgets and spend the savings on aid, the West reacted somewhat scathingly. Perhaps Moscow would care to set an example, officials said. Not only is it one of the biggest spenders on defence; it is also one of the meanest givers of aid.

Given the importance of aid in foreign policy, especially in winning friends in the Third World, it may seem odd that the Russians are tight-fisted. But the facts seem to bear this out. According to the figures published by Communist donors or their recipients, the Communist world including China has offered just under $19bn. in aid to the developing world in the last 20 years. This is slightly less than the amount offered by the western world in 1973-74 alone, military aid excluded.

Besides, the West's terms were generally softer. In 1973, for instance, over four-fifths of western aid was concessional in one way or another against less than half that proportion in the case of Soviet aid. Interest rates were roughly the same in each case, varying between 2½ and 3 per cent., but Western repayment terms averaging 29.9 years were roughly three times longer than Communist terms. And while the West counted technical assistance as grant aid, the Russians charged for it.

To some extent the figures are misleading because there are more, and richer, countries in the West than in the Communist bloc. Also, Communist currencies being non-convertible, credits have in most cases to be made in hard Western currencies of which the Communist bloc is notoriously short. But even given these reservations, Soviet aid has been strikingly small and its terms surprisingly tough, so much so that many recipients have made no secret of their dissatisfaction.

India, the largest non-Communist recipient of Soviet aid is a good example. In the 20 years since the first Indo-Soviet aid agreement was signed in 1955, it has received $2.3bn. in non-military aid, about $1m. more than Egypt. But though terms were quite generous to start with, the Russians gradually hardened them to the point where India now actually repays five times more each year than it receives. Most of the aid has taken the form of rouble credits to equip major industrial projects, like the Bokaro and Bhilai steel plants, or specific sectors like oil, petrochemicals, electronics, and shipping.

Indians do not deny that this has helped, but they complain about the cost. As it happens, the credits contain concessions which extend effective repayment periods from 12 to 15 years at 2½ per cent. interest. But these terms are still tough compared with British aid, which is ten times higher, mainly interest-free, and repayable over 25 years.

Soviet credits also tend to be tied to specific projects, frequently ones which come lower in Indian priorities than, say, agriculture, where help is needed far more than by industry. Indians complain privately that these credits force them to buy Soviet goods at prices higher than they would pay elsewhere.

A new twist has been given by the Russians' devaluation of the rupee against the rouble by 27.8 per cent. over the past couple of years. Because most Soviet credits are repaid in rupees through a special bilateral account, India could be faced with an automatic revaluation of its debts by more than the equivalent of $100m. on its present debts of $450m. India has often tried to wrest concessions from the Russians in the form of debt relief or credits on softer terms, but the last attempt, in September, was unsuccessful.

The advantage that India gains from this system is that the Russians receive millions of rupees with which they buy Indian goods. But the other Russian claim that business with the Soviet Union is more consistent than with the West has taken a knock with Moscow's unilateral devaluation of the rupee.

Bangladesh is another disgruntled recipient. It got a £12m. credit from the Russians last year carrying, according to local press reports, interest of 4 per cent. and repayable in only two years beginning in 1973. Half the sum will be paid off in hard currency, and the rest in produce like jute, tea, and skins—a concession of limited value since the Russians have been known to re-export jute, reducing the market for Bangladesh's own exports. Part of this rough treatment may be due to Bangladesh's having stronger links with Peking than Moscow. But generally speaking, there is no obvious explanation for Russia's disregard for the political, let alone the humanitarian, arguments for aid.

The best that can be said is that Moscow has a blind spot on the subject, probably because Communists have long argued that the problems of the Third World were caused by the imperialists whose job it now is to put matters right. In other words, the Russians see no moral obligation to grant aid.

This is borne out by the way they steer clear of general commitments on aid. Their public statements seldom call for it and their communiques, full of support for the liberation of the Third World as they are, avoid demands for a greater aid effort. Also their contributions to multilateral aid bodies such as those of the UN are usually small, often only in roubles which limits their usefulness. The West has considered complaining about this, but has not so far thought it worth the effort.

As for the economic arguments for aid, the Russians have been little aroused by the argument of a threatened division of the world between North and South. While this has come increasingly to colour Western thinking, the Russians insist that the world's problems are mainly, if not exclusively, East-West. That relieves them of any need to worry too much about the impoverishment of the South, though their East-West fixation has probably cut them off from the Third World and clouded their grasp of its problems.

It is true that aspects of the Soviet aid effort are there for all to see; the Aswan and Euphrates dams, steel mills and factories all over the globe: even Turkey, a Nato member, has received more than $500m. worth of Soviet aid in the last 20 years. But leaving aside the fact that prestige projects attract the greatest publicity, that the Russians are best equipped to supply aid of this kind, and that being Socialists it would be strange if they aided the private sector, the West still believes that a lot of Soviet aid misses the mark, and that the money could be put to far better use.

It was typical that a recent Soviet Press article on Western aid should find fault in the fact that "little more than a quarter of the aid from the imperialist states is for industry." As the West sees it, it is precisely in non-industrial fields like agriculture, medicine, housing and natural resources that the great aid needs lie.

Perhaps Moscow's dilemma was best summed up by a Communist who told me recently: "We were best equipped to help the Third World in its liberation struggle. But it is you, the capitalists, who are best equipped to put it on its feet."

> "... Communists have long argued that the problems of the Third World were caused by the imperialists whose job it now is to put matters right. In other words, the Russians see no moral obligation to grant aid."

Swiss back 'snake'

BY JOHN WICKS

ZURICH, June 24.

SWITZERLAND is still interested in adherence to the European currency snake, National Bank president Dr. Fritz Leutwiler said to-day.

Dr. Leutwiler said that he could not understand French reluctance to admit the Swiss franc to the snake system, as this would be in the interest of France in the long run and possibly even in the short run. Regarding French fears that the Swiss franc might pull the snake framework up too high, he said that Switzerland could not afford a more expensive currency.

While saying that the present Swiss franc rate was too high for some exporters, Dr. Leutwiler said that he thought realistic rates for any snake entry would be close to market levels. He criticised what he called wishful thinking on the part of Swiss exporters and said that the Swiss franc would not fall if Switzerland remained outside the snake system. The snake affiliation would further mean that the export industry could at least reckon with firm exchange rates within the 2¼ per cent. band.

With regard to recent informal talks on a possible abolition of numbered accounts in Swiss banking, the National Bank president said that these had been in the nature of "thinking aloud." No proposals had been made by the National Bank

Comecon Ministers begin talks

BUDAPEST, June 24.

SOVIET BLOC Prime Ministers began talks to-day on economic co-ordination for the next five years, with problems of energy and raw materials high on the agenda.

Heads of Government from the nine-nation Council of Mutual Economic Assistance (Comecon) are meeting for the first time since a 130 per cent. rise in Soviet oil prices in January, which sharply worsened trading terms for the bloc's smaller members.

Hungarian Prime Minister Gyoergy Lazar told the opening session of the three-day conference that faster progress was needed in implementing an economic integration programme launched in 1971.

"The capitalist world is up against grave crises, with unemployment rising and exploitation intensifying," he told the delegates in Budapest's Inter-continental Hotel.

Soviet Prime Minister Alexei Kosygin headed a strong delegation including several senior ministers. Poland, Czechoslovakia, East Germany, Bulgaria, Rumania and Mongolia also sent their Premiers, while Cuba was represented by a deputy Premier.

Last January's price review, which came 12 months ahead of schedule, brought increases that were only partly offset by higher Soviet payments for East European industrial and agricultural products.

Rumania and Bulgaria are known to want higher agricultural prices, and Rumania presses regularly for action to allow Comecon's poorer members to catch up with the development levels of East Germany and Czechoslovakia.

Final bargaining over plan co-ordination for the 1976-80 period is the main task of the Budapest meeting, along with approval of specific integration projects, many of them expected to be in the energy and raw materials sector.

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PUBLIC NOTICES

CITY OF WESTMINSTER London Borough Bills amounting to £96 million were issued on 24 June 1975 for maturity on 23 September 1975. Applications totalled £188 million. The minimum price of accepted tenders was 97.631 and 17.55% of the issue was allotted at this price. The average rate of discount was 9.46028%. No other Bills are outstanding.

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HOME NEWS

'Repair condemned houses for homeless'

By Joe Rennison

A DECISION by the House of Lords yesterday that condemned buildings used for temporary accommodation for the homeless must be in a decent state of repair could have costly implications for many councils througout Britain.

The Law Lords upheld a decision by a magistrate that under the 1936 Public Health Act, Salford City Council must remedy the defects in what was described as an "unfit" council house.

The house in question was found to have rising damp, a rotted door, severe dampness and a cracked lavatory pipe.

The Lords decided that it is the council's duty to carry out repairs to a condemned house in a clearance area and that people living in such an area have the protection of the 1936 Act.

Many thousands of such properties have been bought by councils under the "municipalisation" programme and are let out at a nominal rent to the homeless in a form of legalised squatting.

If, as the decision suggests, they will be required to bring up to a specific standard all such properties the cost would be enormous.

This comes at a time when the Government has just announced cuts in the amounts available to councils for their rehabilitation programme.

Marshall-Fowler to be run down —1,000 jobs lost

FINANCIAL TIMES REPORTER

MARSHALL-FOWLER, a long-established manufacturer of crawler tractors and one of the few British-owned companies in a field dominated by North American producers, is to be closed.

The company's parent, Thos. W. Ward, said yesterday that the two factories at Gainsborough and Leeds would be "phased out" from July 25.

The steel foundry at Sprotborough, near Doncaster, would continue to operate. A total labour force of about 1,000 would be affected ultimately.

Yesterday's statement referred to losses of over £2m., before tax relief, in the three financial years ended September 30, 1974, with £1.08m. of this total coming in the last financial year.

In spite of the rationalisation of production facilities carried out in 1973 and 1974 the losses were continuing, though at a lower rate.

The Marshall-Fowler business has been in difficulties for a number of years. It has never generated the funds necessary for the modernisation of facilities and for investment in new products. In addition there has been growing competition from Massey-Ferguson, International Harvester and other international concerns.

The possibility of selling the business to one of these companies has been considered, but no deal materialised.

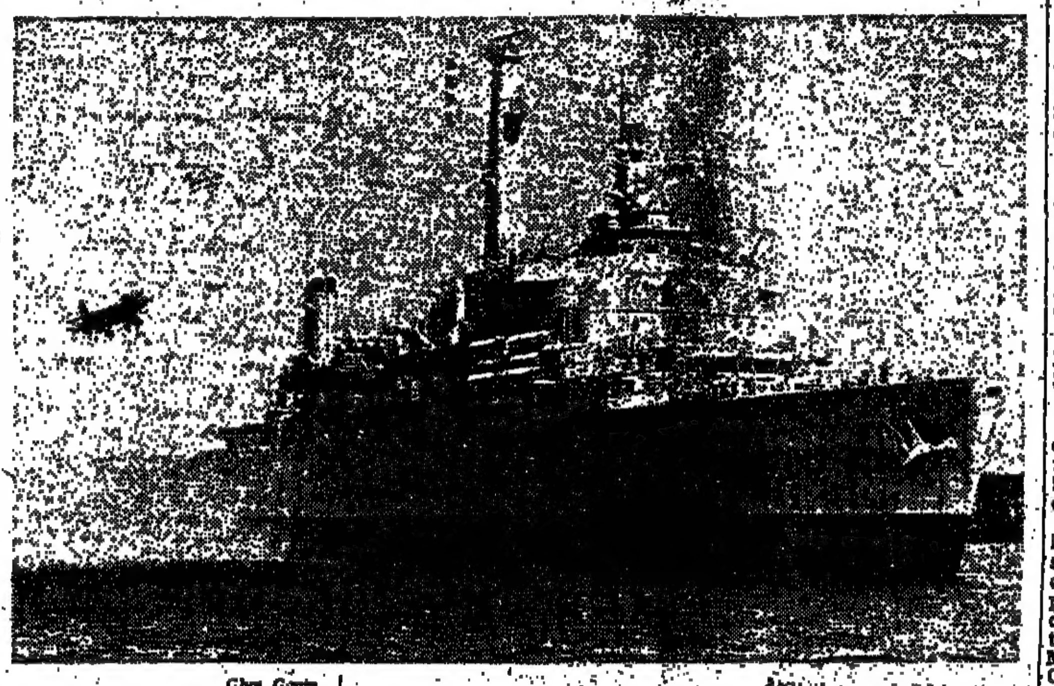
The relevant Government departments have been told of the closure plant, as have the trade unions and other interested parties. There has been no suggestion of Government financial assistance to keep the business going.

The company said yesterday that every effort would be made to mitigate hardship for the people involved in the closure. Discussions have started to secure an orderly rundown of production.

Its statement said: "At September 30, 1974, the net tangible assets of Marshall Fowler attributable to its share capital amounted to £2.6m.

"While it is not possible at this stage to assess accurately the financial outcome of the run-down, the directors of Thos. W. Ward believe that the costs of realisation and the reduction in value of assets in these circumstances may well absorb the existing net tangible assets of Marshall-Fowler.

"In any case Thos. W. Ward will ensure that all creditors of Marshall-Fowler are paid in full. The directors of Thos. W. Ward do not, however, expect further adverse effects that would be significant in the context of the net tangible assets of the Ward Group."



Chas Green

Fly Navy, the slogan of those supporting naval air capability, takes on a new meaning as a Harrier aircraft flown by Hawker Siddeley test pilot John Farley approaches for a vertical landing on the assault ship Fearless, berthed at Greenwich for the Atlantic Treaty Association Seminar at the Royal Staff College. The Government recently decided to develop the Harrier for maritime use.

Trade body studies licensing

By Sandy McLachlan

THE OFFICE of Fair Trading is seeking views from a wide range of sources on the best method for issuing licences to traders under the Consumer Credit Act. The two alternative methods are application by business group or application alphabetically by the 100,000 or so traders who are expected to require licences.

The *Director of Consumer Credit*, Mr. Tony Scott, said yesterday that he envisaged a progressive introduction of licensing with applications being invited in groups over a period of about two years. Applicants in each group would be invited to apply from a specific date and the licensing provisions for that group would come into force six months later.

If application by type of business is adopted, the OFT suggests three groups starting with consumer credit and hire businesses which might be invited to apply from October 1, 1975, with the licensing provisions coming into effect from April 1, 1976. Group two would include debt collecting, adjusting, and counselling organisations together with credit reference agencies. Group three would include credit brokers. Any business needing licences in more than one group would be able to apply for them all at once at the time of their original application.

Mr. Scott emphasised that nothing had yet been settled, and that these proposals were merely examples of how the licensing process could operate. He urged all those concerned to make their views known to the OFT. "It is most important that the arrangements we adopt for seeking applications are those which will attract the highest level of response because the consequences to a trader who fails to make a valid application before the "appointed day" are serious—he could be committing a criminal offence by operating an unlicensed business, and agreements he had made with customers and clients might be unenforceable."

Bus rescue

Northants council officials have agreed to inject more than £200,000 into United Counties Bus Company, in an attempt to prevent many rural services from being axed to offset losses.

Prudential pays £4.3m. for office block lease

BY JOHN TRAFFORD, PROPERTY EDITOR

PRUDENTIAL Assurance has bought the long leasehold of Cleveland House, the prestige office block in St. James's Square in the West End of London, for about £4.3m. from Trafalgar House Investments.

The insurance company was the highest bidder in yesterday's public offer for tender—the first important one for many months.

The deal reflects an initial yield of just over 7 per cent. and, since many of the leases in this multi-tenanted 50,550 square foot office block are due for review within the next 30 months, it must be judged an attractive investment for the Prudential.

An incentive for the Pru was that it is the freeholder of the site and was thus widely expected to be the only bidder.

In the event there were several bidders and one bid from a pension fund came very close to the Prudential's. Mr. Victor Matthews, managing director of Trafalgar House Investments, said last night that the most encouraging aspect of the tender was the number of institutions which had made an offer.

"The deal confirms institutional confidence in first-class property investment notwithstanding the recent difficulties of this sector. Nine months ago there was no market. This is a sign that there now is a market."

Experience with this tender might well encourage more activity in the investment market for the more highly priced types of commercial property. Until now most of the revival in investment interest noted in the past three months had been confined to the smaller commercial properties, with few deals over £2m. being recorded.

Islington's planning procedures indicted

BY JOHN TRAFFORD, PROPERTY EDITOR

A STINGING indictment of Islington Borough Council's planning procedures is made in a report issued yesterday by Mr. Charles Price, the 31-year-old chairman and managing director of CIP Securities, the unquoted development company.

The report, largely prepared by a chartered town planner, Mr. Nigel Moor, studies 72 cases where applications were made to Islington Borough Council for commercial or residential development. In 38 of them there were serious planning delays.

CIP Securities was involved in only seven of the cases, but one of these, the much-publicised Woodbridge Estate development, acted as the trigger and led to the report being commissioned.

The report concerns itself with the alleged misuse of powers given under the planning acts. The authors conclude that delay is often used as an instrument of planning policy "to frustrate enterprises of which the council disapproves on political grounds."

Furthermore, they conclude that the reasons given for turning down planning applications are "often not the real reasons."

Planning blight, planning procedures, planning delays, anomalies, office policy and the loss of revenue from rates are all covered.

The commentators pose some hard questions for the council. They ask why sites must lies derelict for so long and why public money must be used when private money is available.

Day ferries to Belfast to be introduced

P and O FERRIES' Belfast Steamship Company is to introduce day sailings at peak periods on its Liverpool and Belfast service—until now operated as an overnight service.

The new summer daylight sailings are in addition to the overnight service operated the year round, including Sunday nights from May 25 to September 21. Day sailings will operate on June 27, July 4, 10-13, 18-20, 24-27, August 9, 16, 23, 30 and September 12.

P and O's two modern, multipurpose ferries, Ulster Queen and Ulster Prince, will sail from Belfast and from Liverpool at 09.00 hours on the day sailings, reaching Belfast at 18.30, and Liverpool at 19.00.

The number of freight vehicles using the new Plymouth-Roscoff fery route between Britain and France last week reached a record level for the third week running, according to the British Transport Docks Board.

A total of 518 lorries were carried by Brittany Ferries' two passenger-freight ferries, Prince de Bretagne and Penn-ar-Bed, compared with 481 during the previous week and 478 during the first week of June.

Courtaulds takes over Whittaker Fabrics

By Rhys David

WHITTAKER FABRICS of Dundee, a textile finishing concern, owned by the Whittaker Corporation of California, has been acquired by Courtaulds in a deal announced yesterday.

The company specialises in the conversion of corduroy base cloth for sale to garment manufacturers and represents a new outlet for Courtaulds' Northern Weaving division.

The terms of the deal have not been disclosed, but the company is understood to have been losing money for some time and the buying price is thought to have been only nominal.

Whittaker Corporation, a U.S. conglomerate with interests in metals, chemicals, marine and other fields, has been mainly importing corduroy base cloth into the Dundee plant, which last year had sales of about £4m.

Courtaulds now expects, however, to be able to supply the plant from its Northern Weaving Division. About 160 people are employed at the plant.

Tory pledge on grant aid schools

The Conservatives will bring back direct grant schools when returned to power, Mr. Norman St. John-Stevas, the party's education spokesman, pledged yesterday.

He told a rally for the Campaign to Save Direct Schools, in London: "We in the Conservative Party propose to re-open the direct grant list. Furthermore, we plan a network of these schools to cover all parts of the country."

It would cost local authorities about £100m. to replace the places presently at direct grant schools, which the Government is abolishing.

"The Labour Government claims its policy is geared to obtain equality of opportunity while in fact it desires equality of outcome.

"To this end, the Government is levelling down, sacrificing standards in schools, parents' choice, teachers' careers and taxpayers' money all for national conformity in a socialist egalitarian educational system," said Mr. St. John-Stevas, MP for Chelmsford.

Imps to cut short-time working

Financial Times Reporter

IMPERIAL TOBACCO is to reduce short-time working at its cigarette factories because of signs that cigarette consumption is beginning to pick up, following the post-Budget slump.

The company estimates that the heavy increase in duty on tobacco produced a drop in consumption of 15-20 per cent. when it first took effect.

The Imperial subsidiary, W.D. and H.O. Wills, expects to scrap short-time working in the near future, and has already cut it. Two weeks ago it was sending home 900 of its 10,000 employees each day, but this is now down to 90.

The other main cigarette subsidiary of Imperial, John Player and Sons, has sent all its 3,500 production staff home for six full days since the Budget. They will do the same on Friday of this week, but no more short-time is planned after that.

U.K. building standards 'lag behind Europe'

A BUILDING INDUSTRY chief yesterday said that he was "deeply distressed about the level of efficiency of the industry" in Britain. Mr. Norman Wakefield, managing director of Holland, Hannen & Cubitts, told a Neddy conference in Manchester that the industry's performance was inadequate by the standards of European countries, did not bear comparison with the U.S. and "we would be ashamed to put it before the Japanese."

There was not much wrong with the components of the industry, which was competing well in the Middle East, Africa and elsewhere. The problem was a lack of urgency at the early planning stages. The time spent on these stages could be halved.

Identity photos introduced for cheque cards

Financial Times Reporter

COLOURED IDENTITY pictures of holders of cheque guarantee cards are being introduced by Security Trust, Birmingham, jointly owned by the interests of Sir Isaac Wolfson and the International Bank of Washington.

Security Trust has 2,000 current account customers and two banks with counters, at Birmingham and Walsall. The availability of the photo identity cards will be based on assessments of credit worthiness.

Scotch favourite

SCOTSMEN DRANK more milk last year than ever before, and more per head than Englishmen and Welshmen, Sir William Young, chairman of the Scottish Milk Marketing Board, told its annual meeting in Glasgow yesterday. Liquid milk sales rose 6¼ per cent. to a record 127m. gallons, he said.

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HOME NEWS

High-speed Hovercraft plans offered to BR

BY DAVID FISHLOCK, SCIENCE EDITOR

A FIRM proposal for developing an advanced Hovercraft to compete with France in high-speed cross-Channel traffic has been put to British Rail by the British Hovercraft Corporation, a subsidiary of Westland Aircraft.

The idea is to modify the existing two big SRN4 Hovercraft operated by Seaspeed the BR subsidiary, at a cost of £5m.-6m., as an intermediate step in the development of an entirely new Hovercraft for the 1980s.

BHC has put forward schedules it believes could give Seaspeed its first enlarged Hovercraft by the summer of 1977—when the new Sedam 500 craft, 50 per cent. funded by the French Government, is scheduled to enter cross-Channel service.

Air Marshall Sir Christopher Hartley, BHC's chairman, said yesterday that once the big French Hovercraft had made its debut, he expected the competition to be fierce, and that the opportunity to compete would "be with us for only a very short time."

The company was not seeking Government funds for development, but its sanction for a "straight commercial contract" with Seaspeed.

Mr. John Lefeaux, managing director of Seaspeed, who originally suggested the idea of a "stretched" SRN4, said yesterday that he was confident that his company could work up a strong case from the BHC proposal.

He hoped to be ready to put it to the British Rail Board "by mid-summer," and to get a decision by the end of the summer.

The BHC proposal is that during the winter of 1976-77 the first of Seaspeed's SRN 4s should be lengthened by the insertion of a new 55 ft. section amidships, increasing its payload from, typically, 30 to 55 cars and from 254 to over 400 passengers.

At the same time the craft would be fitted with a new skirt, six feet deeper, permitting it to cross faster in rough seas and to be operated in seas rougher than are permissible at present.

Other modifications to the propulsion system, including longer propellers, would permit the enlarged craft to operate at higher speeds but more quietly, while retaining the existing four Pegasus engines.

The second Seaspeed craft would be modified the following winter, effectively doubling the peak earning capacity of the company's operations at what BHC believe need be only a very modest increase in operating costs.

Meanwhile, the conversions would provide BHC with a valuable intermediate step in the development of a new generation of Hovercraft, called the BH 88, competitive in operating costs with cross-Channel ships.

If all the engineering developments envisaged at present—including a new engine such as the Rolls-Royce Tyne—were put together in a new Hovercraft, "we're talking about a 40 per cent. reduction in power and a 60 per cent. reduction in fuel," claimed Mr. Richard Stanton-Jones, BHC's managing director.

Road chief challenges Minister on railways

Financial Times Reporter

A CALL to the new Transport Minister, Dr. John Gilbert, to get to grips with the "wasteful spending" by British Rail came yesterday from Mr. Tony de Boer, chairman of the British Road Federation.

He told the Federation's annual meeting in London that events in the past few months had shown that Ministers had totally lost their grip on transport policy as a whole. "Even before BR's offer to the unions the total railway deficit for 1975 was going to be more than £450m."

Roads not rail would continue to carry the bulk of Britain's freight and passenger movement, Mr. de Boer maintained. "This is going to involve a thorough reappraisal of the role that British Rail can perform and some painful questions about manpower and management."

Mr. de Boer complained that Government plans to give priority to road links with the ports handling trade to the Common Market were now up to 10 years behind target.

None of the key roads to Tilbury, Harwich, Felixstowe, and Hull was complete and some would not be finished before the mid 1980s, despite the promise in a Government White Paper that the highways would be built by 1975-77.

Call for national work training plan

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

BRITAIN'S LACKADAISICAL attitude to preparing children for working life is strongly criticised in a report published yesterday by the Government-sponsored Training Services Agency. The present position is "profoundly unsatisfactory for both economic and social reasons," it says.

A new "collective funding arrangement of some kind" is needed to provide youngsters with a national system of work-related training at an estimated initial cost of about £150m. a year, says the agency, which is responsible through the Manpower Services Commission to the Department of Employment.

Unusually, the report does not stop short at the DE's departmental boundaries. It invades the territory of the Department of Education and Science, criticising schools' deficiencies, and hinting at desirable improvements. It points out that: "The resources devoted by the State to young people who continue in full-time education are immense in comparison with those it devotes to young people entering employment."

It was socially unjust to devote an increasing share of public funds to academically bright children who went on to higher education, and a decreasing share to the much larger numbers who left school at 16 needing to enter employment.

It was also economically silly to remain dependent on a laissez-faire approach to work-preparation which "carries the risk of a chronic short-fall" in supplies of skilled workers "just when an upswing in the economy means that they are most needed."

Vocational Preparation for Young People; free from the Training Services Agency (162, Regent Street, London W1R 6DE).

Consumer differences pin-pointed

Financial Times Reporter

OWNERSHIP OF cars and telephones still showed large differences between the socio-economic groups in 1972, in spite of the continued spread of consumer durables, according to the latest Household Survey from the Office of Censuses.

The survey for 1972 reports that among heads of households in the labour force, 85 per cent. of professional workers had a telephone and 90 per cent. had cars, compared with 14 per cent. of unskilled workers with a telephone and 18 per cent. with a car.

The General Household Survey. 1972. HMSO, £5.

BSR goes back to 5-day week

BSR, the record changer manufacturer based at Cradley, West Midlands, is resuming five-day week working for about 5,500 workers at three Midlands factories from July 7.

Production is also being increased at East Kilbride, employing 1,500 already on full time. About 1,200 people at this factory were made redundant at the beginning of the year.

The move will end 26 weeks of short-time working after the dismissal of 3,000 of the 10,000 labour force in January.

The decision has been prompted by an improvement in American demand during the past two months, which in turn has resulted in lower stock levels.

This, allied to lower output during the holdiay period and the approaching peak demand in the autumn, "makes it prudent to replenish inventories in anticipation of the normal seasonal trend."

The company hopes that a full working week will be maintained and that the future can be looked forward to with "some optimism."

Filter sales fall forces layoffs

Cigarette Components said yesterday that it was to make 200 of the 1,600 workers at its Jarrow factory redundant because of a 20 per cent. fall in demand for its filter tips.

The company blamed the Budget and the Department of Health anti-smoking campaign for a 20 per cent. sales drop.

It said that there was no sign of a pick-up in demand for at least six months.

The rest of the labour force will continue on a four-day week.

Fisons seeks listing in Europe

By Ray Dafter

FISONS is seeking a listing on the German stock exchanges at Frankfurt and Dusseldorf as part of its bid to have a broader international base.

Details of the company's intentions are expected to be announced in Germany to-day, although Mr. George Burton, the Fisons chairman, has already indicated that much of the future growth, will be generated outside the U.K.

He told the annual meeting last month that total group earnings this year might include as much as 70 per cent. from overseas activities, as against 60 per cent. last year.

Mr. Burton has also indicated that the climate for manufacturing development is currently more favourable outside Britain and that most intended acquisitions in the foreseeable future would be overseas.

The group still has $45.6m. left over from a $50m. multi-currency facility negotiated two years ago for use in future takeovers.

The company's most recent acquisitions have involved Continental concerns. In March it said that it had bought an 85 per cent. stake in the French pharmaceutical company Laboratoires Gerda, for about £1m. and it was acquiring for about £1.5m. the German company, Gebruder Haake, which manufactures circulators and viscometers.

The increasing internationalism of Fisons is reflected in its annual report and accounts, which has the summary of results printed in English and German, and its recent advertising campaigns. On April 2 Fisons took 10 pages of advertising in the Frankfurter Allgemeine, a similar campaign to those run in Le Figaro and the British Press.

The aim of the advertising has been to emphasise the diversity of the company's activities. Two of the main business areas are agricultural chemicals (herbicides and pesticides) and pharmaceuticals which necessitate a worldwide marketing philosophy in view of the comparatively small market in the U.K.

The launch of Fisons' anti-asthma drug, Intal, in the U.S., for example, is thought to be one reason why about 8 per cent. of the company's stock is held in America, through American Depositary Receipts.

THE WOOLWICH WEST BY-ELECTION

A desperate photo-finish

TO-MORROW'S by-election in Woolwich West seems to be heading for a razor-fine finish in which the result could hinge on the last carriage-load or two of homeward-bound commuters from the centre of London some seven or eight miles away.

Everything appears to cancel out in what will be the first by-election of the present Parliament. Labour's majority of 3,541 last October and the fact that Woolwich West boasts the largest Labour Party membership of any constituency in the country (4,000-plus) are balanced by the national background of depression and inflation, while the ebullience and aggression of the Conservative challenger, Mr. Peter Bottomley, are matched by the more down-to-earth approach of his Labour opponent, Mr. Joe Stanyer.

THE CANDIDATES
P. Bishop (Ind)
P. Bottomley (C)
F. Hansford-Miller (Eng Nat)
S. Hobday (Lib)
R. Mallone (Fellowship)
R. Robinson (Nat F)
R. Simmerson (C anti-EEC)
J. Stanyer (Lab)

GENERAL ELECTION RESULT	
W. Hamling (Lab)	19,614
P. Bottomley (C)	16,073
J. Johnson (Lib)	5,962
Labour majority 3,541	

The Tory heavyweights who have campaigned in Woolwich—Mrs. Margaret Thatcher did a walkabout on Saturday—have been countered by the likes of Labour's Mr. Peter Shore and Mr. Bob Mellish, while Mrs. Barbara Castle and Mr. Michael Foot will do their stint to-night.

And while Woolwich is being projected as a vital test of the Government's popularity—the settlement of the rail dispute has prevented a Tory whitewash—it is also regarded as an equally likely test of Mrs. Thatcher's plausibility.

Additional relish will be lent to-morrow by the fact that victory for the Tories in the by-election caused by the death in March of Mr. William Hamling, who had held the seat since 1964, would reduce Labour's overall Commons majority to one: the absent Mr. John Stonehouse.

Apart from the presence of the A2, which bisects the constituency and ruffles many feelings, there seem to be no local issues in Woolwich, so that "prices" and "inflation" and "the unions" hold total sway.

Talking to one Tory voter in the slipstream of Mr. Bottomley's canvassing on Monday, I was told: "This Wilson doesn't know his elbow from his other end. The unions are running this country: Mr. Scan-lion and this bod and that bod."

On the other hand Mr. Bottomley has steered clear of coming down hard for any speech on Tory remedies, a stance he is believed to have adopted at the request of Central Office. His election address (which contains quasi-presidential photographs of him with his family) states merely: "Our over-riding purpose must be to conquer inflation. There aren't any easy or simple answers. We can only beat inflation by using every effective and tolerable weapon at our disposal."

He does, however, make great play of unemployment levels in Woolwich (up 35 per cent. over the past year), inflation (a monthly season ticket to London now costs £9.10, compared with £7 last May) and what he regards as the country's recent and total rejection of left-wing extremism.

Thirty-years old and the elder son of the U.K. Ambassador to South Africa, Mr. Bottomley's canvassing of the constituency's rose-lined avenues is done at break-neck speed. He runs up one garden path, introduces himself, and then runs to the other side of the road to do the same. The loudspeaker in his orange campaign van alternates stirring military music with appeals to make it "third time lucky for Peter Bottomley"—he was defeated in Woolwich West by the popular Mr. Hamling in both general elections last year.

The insouciance of his campaign is matched only by the confidence at his electoral HQ where one helper informed me that I should buy shares straight away because "the Stock Market will spurt on Friday when Peter is elected."

Top, the Conservative candidate Mr. Peter Bottomley, with Mrs. Thatcher. Below, Labour candidate Mr. Joe Stanyer, with labourer.

Defender

By contrast, Mr. Stanyer, Labour's defender, is far less extroverted. He canvasses quietly and slowly, talking to mini-skirted mothers in the playground at Henwick Road primary school, which serves the Kidbrooke Estate, about pensions and home helps and Europe.

He was taken to task on Europe, though. One mother told him we had no business in the EEC. "We shouldn't be there. We don't stand a chance with all those other countries. The Germans will have the main say—look at them, they get up at five o'clock in the morning to go to work." Mr. Stanyer, unruffled, told her: "We're in now, in for our common good. We've got to make it work to our advantage."

He describes himself as a moderate Socialist, "although I hate the word 'moderate.' I wouldn't join the Tribune group, but I believe, for example, that we shouldn't trim the Industry Bill one bit."

He is 36, and a senior lecturer in materials science at a nearby polytechnic. He left school at 15 but later earned a BA and PhD. He has been a Greenwich Borough Councillor since 1971 and was chairman of the council's planning and development committee for three years—a fact which does little to impress Mr. Bottomley who has been quoted (perhaps unfortunately) as saying: "I want to end up in the House of Commons, not Greenwich Town Hall."

The Liberals' representative to-morrow is Mrs. Sheilagh Hobday, a 53-year-old grandmother, who is said to be winning some support for the Liberals' insistence on a statutory U.K. prices and incomes policy.

Woolwich West, however, is an unlikely stamping ground for the Liberals and may neither confirm nor discount the Party's effective electoral collapse of last October. In the February, 1974, general election the Liberal candidate (not Mrs. Hobday) collected 17.2 per cent. of the vote, while eight months later the Party's share fell to 14.3 per cent.

The three main candidates to-morrow are joined by five more or less fringe contestants: Mrs. Ruth Robinson, a demure young mother who is standing for the National Front; Mr. Reginald Simmerson, who is standing as a Conservative Against the Common Market; Mr. Ronald Mallone, who is running on a pacifist ticket; Dr. Frank Hansford-Miller, who has been touring Woolwich in a Beefeater outfit (his wife accompanies him as a lady Beefeater) and who represents the English National Party ("Magna Carta, not Marx"), and Mr. Peter Bishop, whose formula for solving the country's ills has been described by one correspondent as "economic 'structures,' consisting of ice and wood pulp, to be set up in the ocean to produce most of the things needed by man."

To win Woolwich West the Conservatives need a swing of fractionally more than 4.25 per cent. and believe that the prospect of a low turn-out would assist their cause. However, Woolwich is stolid electoral territory. Its percentage swings invariably understate the national average and as the home of the oldest as well as the biggest local party in the Labour movement, it seems likely to produce to-morrow a desperate photo-finish . . . perhaps a dead-heat.

Michael Thompson-Noel

The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● BANKING

Cashiers replaced by slot machines

BARCLAYS BANK'S first NCR 770 auto-tellers go on line on June 30, and the service then assumes its new name—Barclaybank.

For the past five months the two 770s have been undergoing off-line trials inside branches at Oxford, offering only the variable-amount cash dispensing facility. Now, with the link-up to a computer, customers will be able to withdraw cash in sums up to £50 a day in £5 and £1 notes, subject to the balance available on their accounts, which the machine will automatically check.

They will also be able to pay in bank notes, cheques, money orders, to their accounts by inserting them through a slot in the machine and operating the appropriate controls.

Barclaybank is the first self-service bank machine in the U.K. through which customers can make both in-payments and cash withdrawals. It is operated through a special magnetic encoded plastic card and a personal code number.

In May last year Barclays ordered six pre-production models of the NCR 770 for evaluation. A contract for a further 100 was signed last month.

Mr. Warwick Broadbent, a Divisional General Manager of Barclays Bank, has disclosed that the bank is planning the installation of some 40 Barclaybanks due to be delivered by the year-end. Some of those installed at branches would be inside the building, as at Oxford, but others would be "through the wall." Ultimately, a number would probably be located in factories, stores, supermarkets and other sites offering good business potential.

Broadbent described the 770s as "very versatile" machines. Barclays was considering what other services could be offered through them.

Ulster bank a pacemaker

BELFAST Trustee Savings Bank, which made banking history by becoming the first in the British Isles to run a real-time on-line passbook handling system, using Burroughs TC700 and B500 equipment in a 26-branch network, is making a further major advance.

Two RT2000 remote teller units have been under test running since early this year and the intention is to add a further 11, making the bank the first in the U.K. to operate "automatic counter clerks" in real time.

These TC2000 units have recently been released by the company to perform either off-line or on-line roles. In the latter function, which is what is involved at the TSB, the terminal checks each transaction with the central files before taking action such as dispensing cash.

Customers using the service would carry a credit card with a magnetic information storage stripe.

The console has a ten-digit numeric keyboard on which the customer taps out his identifying code. A series of displays tell the user what steps to take to withdraw cash. When the card is first inserted in the reader slot, the console reads and displays how many uses the customer has made of his card in a given period.

The next instruction to appear is key-in identifier. If the user makes several errors—possibly having stolen the credit card—the machine will retain the card. If the number is correct, the next question is "how much?" followed by removal of the card and dispensing of the required cash.

Three methods of recording transactions can be specified for off-line working and in this mode, the unit can be supplied with a capacious file so that barred accounts cannot be used by holders for obtaining cash.

● PHOTOGRAPHY

Small lens of high quality

SIXTEEN millimetre zoom lenses for motion pictures, capable of producing the higher standards of image quality, resolution and contrast normally associated with 35mm lenses but at a much reduced cost, have been developed by Rank Optics Taylor Hobson.

Designed by Rank Optics at its Leicester headquarters, the lens is called the Cooke Varo-Kinetal. New optical design principles give it superior performance and a weight of only 1 kilogram.

With an overall length of 220mm, the lens is designed around a three moving member optical system instead of the conventional two. Unlike lenses currently available, the Cooke Varo-Kinetal is a sealed unit with no externally moving front element. This results in improved resolution and contrast and high image quality throughout the entire zoom range of 9 to 50mm even when focusing at distances as low as 230mm (9 inches) away from the front of the lens.

The lens achieves a high resolution value of 100 line pairs per mm on axis and in the corners of the picture, and this performance can be held throughout the zoom range. The resolution and contrast matches the modulation transfer function of the new film emulsions, such as Kodak EK7247, which means that film-makers will now be able to use 16mm cameras fitted with this new lens and achieve the high standards of quality previously associated with 35mm filming for showing on the "big screen." It also means lighter equipment, less capital outlay and cheaper running costs.

● ELECTRONICS

Picnic in comfort

THE EFFECT that bright light has in attracting flying insects is well known. This lies behind the development of an ingenious unit called the Nimrod—an electronic device designed to attract and kill all flying insects.

It is the brainchild of a firm called Electronic Pest Controls, a subsidiary of Electronic Concepts who design electronic communication systems. There are five different models of the unit to give protection from insects over areas from 500 square metres to 3,000 square metres, depending on the model.

They should appeal to the general public as well as to the larger industrial, farming and catering concerns. In fact one model, the Nimrod 800, is unique in that it is the only mains-battery-operated product of its kind with its own built-in rechargeable power pack. This means that it is portable and, apart from being suitable for indoors, it can be carried out to the garden, or used on camping or continental holidays where insects can be a pest.

A central ultra-violet light attracts the insects, both by day and by night. Surrounding the ultra-violet light are two concentric metal grids, separated by a gap of approximately 12 mm. The outer grid acts purely as a protective cage. The inner grid is charged to a voltage that is not dangerous for humans or animals to touch but insects, flying against it to get to the light, will be killed instantly.

Electronic Pest Controls, Mill Mead, Staines, Middlesex (0784 55577).

● CONFERENCES

Protection of pipes

THE FIRST international conference organised by BHRA Fluid Engineering on the "Internal and External Protection of Pipes" will be held September 9-11 at the University of Durham.

About 50,000 miles of new oil and gas pipelines are laid each year all over the world, as well as many miles of chemical, effluent and water pipelines. Two review papers by authors from Germany and the U.K. summarise the need for pipe protection in every industry.

A large group of papers will deal with corrosion and wear. One contribution provides evidence that polyethylene is not a reliable protector in soils with a high bacterial activity; another suggests that metallic coatings based on zinc are effective in corrosive soils. The protection of submarine pipelines is also covered.

In the case of internal protection, the need for product purity and the re-lining of old pipes and sewers has produced a number of practical solutions of interest to a wide variety of industries.

Details from BHRA—Fluid Engineering, Cranfield, Bedford, (0234 750422).

● DATA PROCESSING

Training gets code of practice

THOUGH computer schools providing training directly to the public account for no more than 1 per cent. of computing's annual man/woman power intake, they have always had a disproportionate amount of publicity.

This has been largely due to claims by students that they were misled before they paid their fees, and to public rows and arguments which occasionally break out about the schools' place within computer education.

All this has led the National Computing Centre, in concert with some of the schools, to draft a code of practice. That code was launched last week, with most of the major schools represented at the conference. The larger ones seem almost all to have agreed to subscribe to the code.

It is a voluntary code. Nevertheless, those who subscribe to it and can therefore presumably advertise the fact, must agree to providing certain statistical information to the NCC which will help check claims with performance.

Arbitration machinery will be set up for disputes between students and the school concerned. The NCC has also included a clause that gives it the sole right to decide whether or not to make public the details and results of any arbitration.

The code covers publicity, the use of aptitude tests, the terms of contract which must be given to the student including a statement that "job placement is not guaranteed for students on the completion of their training," the conduct expected of students, careers counselling, and employment after training. This last is concerned to ensure that schools do not retain students who have little likelihood of finding employment in the job for which the course "purports to prepare them."

Nobody expects that the code will immediately bring to an end the problems which have plagued this sector of the computing industry. However, it does seek to establish standards where those are needed.

It is worth noting that Control Data Institute, the largest of the public computer training schools, operates on the basis of fees being paid after the applicant has been placed in the job for which the institute trained him. And that does a lot to ensure rigorous entry standards, for if the institute cannot place the applicant, it does not collect.

Two printer units

PRINTING OF alpha-numeric characters on 13mm wide tape is performed from ASCII input using a tape printer just put on the market by Datac, Tudor Road, Altrincham, WA14 5TN (061-941 2361).

Using a matrix print head the unit offers a full 64 character set based on 7 x 7 dots with variable width characters for improved legibility. The paper tape is driven past the print head by a stepper motor with a normal printing rate of up to 50 ch/sec. The mechanism uses pressure sensitive paper and a glass anvil so that the characters are immediately visible. Power can be from mains or 12 v dc.

Likely applications are in communications and point of sale terminals, automatic test equipment and computer terminals.

Also announced for OEM applications is the model 402 15-channel line printer from GMT Products, Woodlands Road, Epsom, Surrey (Epsom 20461). Speed is 2.5 lines/sec on 2¼ inch roll and the dimensions are 297 x 157 x 100mm. Erroneous print-out due to fast data changes is avoided using a holding memory.

The drum printer has red/black facilities and can print special symbols in the two right-hand columns.

● HEATING

Insulation blown into the walls

IT IS BELIEVED that dry, loose fill insulation material could be blown into cavity walls in buildings as high as 12 storeys with the aid of a prototype machine developed by Bounds Insulation, 100 Hartshill Road, Stoke-on-Trent ST4 7LT (0782 44145).

In addition to making this claim, Bounds also says that only one man is needed to run the portable machine which may be operated from a 13-amp domestic power supply.

The machine, which is mounted on rubber tyred wheels, has a hopper to carry up to 4 cwt. of material and a shredder for mineral wool. Blowing pressures used range from 5 to 15 psi and the material is blown through either 1½ or 2 inch hose into the walls to give densities ranging from 2½ lb to 8 lb per cubic foot.

Bounds says one man could insulate an average three-bedroom semi-detached house in half a day.

● POWER

Venture to build new battery

ASEA, Västerås, Sweden and ESB, Philadelphia, a wholly owned subsidiary of the International Nickel Company of Canada, have jointly announced formation of a new company, Exide Asea Inc. The new company will be owned equally by the two parent companies.

The new company has been formed to develop a capability for the design, manufacture, sale and service of battery energy storage plant systems for use by electric utilities and industrial customers in "load-levelling or peak lopping" operations. These plants will convert electrical energy generated at low demand periods into chemical energy and store it close to the point of use.

The stored chemical energy will be converted back into electrical energy and fed into utility electrical distribution systems during periods of high demand, levelling the load on the utility and permitting it to operate its generating equipment at peak efficiency, thereby saving valuable fuel resources while at the same time providing an emergency or "spinning reserve" capability. In addition, these systems will be located near the point of use, eliminating the need for further long-distance transmission lines.

ESB has under development a promising molten salt battery system. Preliminary tests indicate the technical feasibility of this advanced battery as an economical solution to the problem of wide daily variations in the demand for electricity.

But, while several important development milestones have been passed, the company states that much remains to be done to scale up laboratory cells to full-size working units. These new batteries, with an anticipated life of 10 to 20 years, will be fabricated as sealed units and will present no known environmental problems or hazards.

Several years of development effort will be required to achieve the first commercial installations. However, ESB and ASEA have formed the new company now so that their combined capabilities can be made available to interested customers from the early stages of planning, design and evaluation of these new load-levelling systems.

At a somewhat more advanced stage are the load levelling and vehicle propulsion batteries of the sodium-sulphur type on which the Chloride group in Britain and Ford in the U.S. are working.

ASEA (Great Britain), Villiers House, 41 Strand, London, WC2N 5JX (01-930 5411.)

The molten salt mixtures used in the new design will comprise proportions of common salt, aluminium chloride and antimony chloride and the construction will also contain large amounts of carbon—all easily available and low-cost materials.

It is intended to build battery blocks up to 20,000 cubic feet for peak-lopping and the aim is to provide 10 MW battery capacity for about £4m. This, in ASEA's view, would be most acceptable on the U.S. market where problems of brown-outs and the still relatively poor interconnection are proving intractable.

It is anticipated that the battery will be operated at below 200 degrees C or considerably lower than the various other battery pairs now being investigated.

● PACKAGING

Carries out the whole process

MANUFACTURE has just begun of a range of packaging equipment for European markets that will enable Bennett Swiftline, Rubery Industrial Estate, Birmingham, to offer complete package deals to food and confectionery makers. In crisp manufacture, for instance, it can start with potato cleaning, inspection, blanching, cooking and on to packaging.

The new range of fully automatic form, fill and seal equipment is being made under licence from PMD (Pty.), Johannesburg, and was chosen for its robustness, simplicity and ease of maintenance, all necessary qualities for the African markets into which PMD sells.

Depending on the product, packing rates vary from 100 a minute of small packs to 24 a minute of large ones.

● COMMUNICATIONS

Telephones for the 80s

BY THE end of this year the Guardian Royal Exchange Assurance Group will have completed most of its "Spider's Web" private telephone network which will rank as the largest of its kind in Europe. It will cover all GRE head offices and branches, consisting of more than 60 locations.

The philosophy of the "Spider's Web" network, created and designed by Mr. C. J. W. Macaulay, communications consultant to the GRE, consisted of leased lines from the P.O. having the terminal and switching equipment privately owned and operated. This concept has proved to offer economic advantages and improved efficiency.

The technical structure of the network is a complex of wide-band supergroups and groups, connecting the six switching centres, which in turn serve the branches of that region. Inherent to the design of the network is the inbuilt ready availability of data transmission, international telegraph, internal teleprinters, facsimile and telemetry.

Cost savings and advantages of owner control, combined with flexibility of the spider's web as a private network, weighed against services over either the public network or conventional PABX networks, are substantial, and justify the GRE investment of £1.5m.

The network offers access to all offices from push button telephones using a universal five-digit numbering scheme. Common control local and transit exchanges, engineered and manufactured by the Pye/Philips Group, with MF inter-register signalling give a fast connection time both over primary routes and alternative secondary routes. The high usage of wide band groups and super groups, cost justified on speech traffic but with capacity for non-speech traffic, provide high grade signal paths.

One of the cardinal concepts of the "Spider's Web" network is its great flexibility which permits alterations, changes or even connection of any other network at short notice, without interferences to its day-to-day operation.

● TEXTILES

Preparing samples

TWO MACHINES for the preparation of textile samples have been developed by the Swiss company Polytex AG, Flughofstr. 57, CH-8152 Glattbrugg-Zurich. They are for sample card mounting and pinking.

The sample card machine will handle cards up to 25 x 14 inches, and has a swatch magazine depth up to 4 inches. The glue pattern is applied using a silk screen device. The swatch magazines can be pegged to pattern swatches as required, and are loaded in stacks from the pinking machine.

The heavy duty pinking machine will cut widths up to 40 inches. Design features include a cross beam which allows a clear view of the cutting area, and there are light barrier safety devices on both sides of the knife. There is a semi-automatic double feed mechanism. Swatch length and width are set independently.

● PROCESSING

Pure water by reverse osmosis

DEVELOPED BY the parent company in Canada, a packaged pure water supply system is available from Anderson Water Equipment, Graham Buildings, Newport Road, Cardiff, South Glamorgan (0222 22848).

Using specially developed DuPont Permacep modules, the company's system is stated to be capable of being designed to suit all raw water conditions and capacities, producing pure water for industrial and domestic use. It will remove both ionisable and non-ionisable impurities from water and other liquids using reverse osmosis.

Known as the Arow system, it is claimed to have many advantages over conventional water treatment procedures. It is stated to be capable of reducing ionisable solids content in raw water to the 5 per cent. range; to eliminate particulate matter larger than 0.45 micron; remove 99 per cent. of organic matter, bacteria and spores; does not use mineral acids and alkalis which present waste disposal problems, and operates on high solids water beyond the economic range of ion exchange.

Another way to compress refrigerant

A ROTARY positive displacement refrigeration compressor claimed to use an entirely new concept has been developed by Grasso-Staeon, of 's-Hertogenbosch, Holland.

It is intended for use as a normal, single-stage machine or as a low-pressure booster in refrigerating, freezing, air conditioning and heat pump installations, operating with the refrigerant ammonia. It is designed for direct drive via a flexible coupling from a 3,000 rpm electric motor.

The compressor consists of a cylindrical, helically grooved rotor with globoid core and two identical opposed gear wheels in a single plane through the rotor axis (using a principle first described by Leonardo da Vinci). A gastight housing encloses the rotor and the gear wheels. The rotor rotates with a slight clearance (oil-sealed) in a cylindrical mantle forming part of the housing and is driven from outside, imparting a freely rotating motion to the gear wheels.

Suction, compression and discharge is achieved by each groove in the rotor being swept by a gear wheel tooth. One end of the rotor is completely open to the suction chamber. At the other end are two outlet ports, opposite each other in the cylindrical mantle.

Known as the Monoscrew, there are four models in the range, with capacities from 500,000 to 1,500,000 kcal/hr. at −10/+25 deg. C and 2,950 rpm.

Advantages claimed for the Monoscrew are: no load on the rotor bearings; no metallic contact between rotor and gear wheels; uncomplicated capacity control; no oil pump required; suction gas filter fitted in the compressor housing; and low sound level.

The company's U.K. office is at P.O. Box 2, Ross-on-Wye, Herefordshire HR9 5BT (0989 3311).

● TELEVISION

Projects a big picture

A FRONT-projected colour television picture 69 inches wide is provided by the VideoBeam system made by Advent Corporation in the U.S. and introduced into this country by Crown Cassette Communications, a member of English China Clays Group.

The projection unit uses three separate colour phospher seven inch tubes working at 30 kV with the three images brought to coincidence on a curved screen with a highly reflective aluminium surface placed exactly 100 inches away.

Viewing can be at up to 30 degrees from the centre line giving an acceptable viewing area about 20 feet across at 24 feet from the screen. Audiences of up to 200 can be fairly easily accommodated. The projection is from about two feet above the floor, from a console containing a receiver and all the normal colour set controls, plus coincidence adjustment. Price is £3,459 ex VAT: main markets anticipated are industrial training and medical. More from the company at 3, Soho Street, London, W.1 (01-437 4592).

● MACHINE TOOLS

Mild steel cut and notched

MADE BY Muhr and Bender, of Attendorn, West Germany, the Mubea KBL Optima range of powered punching, section cropping and notching machines is now available in the U.K.

They are capable of shearing distortion-free flats from 7⅞ x ⅞ to 10 x ⅞ inches, angles from 4 x 4 x ⅜ up to 7 x 7 x ⅜ inches, and punching holes from 1 inch diameter through ⅝ inch plate up to 1⅜ diameter through 1 inch mild steel plate.

There are five basic models, each in two versions. One version has a special throat feature for splitting plates, while the other (without a throat) has greater capacity for flat bar cropping with minimum distortion, by using a deformation-free upper blade which is fitted at the shear plate station.

The machines have programmes for punching, section cropping and notching, with three independently controlled slides. The shear slide has an automatic mechanical hold-down; the bar shear can be fitted with blades for cutting channel, beams, flat bar, and angles, and a tube notching tool for cutting the ends of tubes that have to be welded at 90 degrees to a mating tube.

The punch slide is fitted with a spotting device for setting the punch and die, and for locating the pip of the punch in the marked out workpiece.

U.K. agent is F. J. Edwards (one of the 600 Group), 23-25 Sunbeam Road, London, N.W.10 6JP (01-965 0655).

Improved lapping

BASED ON a mixture of natural and synthetic diamond, Hyprez Five-Star lapping and polishing paste has been launched by Engis, Park Wood Trading Estate, Maidstone, Kent (0622 55287). The company says the paste combines the optimum cutting capability of the natural material with the greater durability of the synthetic.

It is soluble in either oil or water and can be thinned or lubricated with both. Increased "slip" is stated to improve coverage and impregnation of laps, making it more economical. The chemical constituents are non-toxic. The compound is available in 11 colour-coded particle sizes from 1/10th to 90 microns. It is supplied in 5 gramme disposable plastic dispensers.

الشرق الاوسط

LABOUR NEWS

TUC to study arguments for flat-rate pay norm

BY JOHN ELLIOTT, LABOUR EDITOR

DETAILED ARGUMENTS in favour of a flat-rate pay norm *for the coming winter which* would probably operate for only a year and therefore would not permanently erode pay differentials will be presented to the TUC general council this morning.

They are contained in a private TUC document reporting the views of the TUC's economic committee which considered the future of the social contract two weeks ago. *While also* putting forward other pay systems, it is balanced in favour of flat rates.

The document also records the views of members of the economic committee that "in the next critical 12 months many groups would take a reduction in their living standards whatever policy was adopted." This tempers the view, written into the TUC's social contract document, that "the maintenance of real incomes in broad terms remains at the centre of the policy.

"A flat-rate policy was put *forward as* a temporary expedient for the coming year designed to arrest the inflationary process, prevent massive unemployment and reductions in public ex*penditure and enable the fulfillment* of the Labour Government's programme. It was not envisaged as a permanent policy for eroding justifiable differentials" states the document.

This statement will be crucial when the *issue is debated* this morning with Mr. Jack Jones of *the Transport Workers*, the originator of the plan, being supported by other unions such as the General and Municipal Workers, the National and Local Government Officers, the Public Employees and the Post Office Workers.

Their supporters hope for a two to one majority if the issue is put to the vote. But the opposition will muster considerable support, led by the Amalgamated Union of Engin*eering Workers* and including the Miners, the Boilermakers, the clerical workers union APEX, and the Teachers.

Pressing for flat-rate payments and for special restraint on those earning above £10,000 a year—*arguments* that could be relevent whether the next stage of the country's pay *policy is* voluntary or Government imposed—the document stresses the need for "*a clear, simple policy on which* the movement could unite."

It then says that a flat-rate cash increase for *everyone* could be based on the prospective rise in the cost of living calculated in relation to average earnings or the *earnings of* the majority *of* workers.

"The object would be to ensure in effect that a large number of workers received full compensation for the cost of living while the lower paid, who had to pay the same additional prices, received the same cash amount." *Besides helping the* lower paid "and preventing the rich getting the highest cash increases," a flat-rate policy would be "clear and simple."

It would preclude "philosophical argument" over the definition of the *cost of living* and any difficulty over an autumn peak in prices. It could also ensure the same cash increase over the whole pay round related to a target price rise increase rate below current levels and would *cut through problems of groups* trying to catch up with each other's high increases.

Against the flat-rate system it was argued in the economic committee that such an idea would disturb *differentials* based on *responsibility* and skill and would inhibit the development of a unified approach at the TUC's annual congress in September.

There was also the risk that *large cash increases* for the lower paid could be generalised in percentage terms to higher paid groups. Thus, it would be better to continue with existing cost of living related percentage guidelines which people were *beginning increasingly to under*stand.

The council meeting to-day will also be warned about the need for ensuring that any policy is not broken by individual groups of workers or unions.

Engineering workers urged to disregard 'solution-mongers'

BRITAIN'S 3m. engineering workers were advised yesterday to refuse to be swayed by "solution-mongers" and continue to follow their own instincts in the present economic *crisis.*

They should refuse to accept an increase in unemployment or a decrease in living standards, said Mr. Charlie Stewart, *of the Furniture Trades Union*, who is this year's president of the *Confederation of* Shipbuilding and Engineering Unions at the opening of the Confederation's annual conference here.

Mr. Stewart's remarks to this conference of delegates from 32 unions coming so soon after the Amalgamated Union of Engineering Workers' rejection of the social contract last week, underlined difficulties facing the TUC in persuading the Government that the *union movement* will unite behind any scheme to cut the rate of wage inflation unless there are matching cuts in prices.

The Labour Government had tried to halt "the onward march *of inflation*" and the *Confederation* was mindful of the duties that *befell* any Chancellor "seeking to master an unbridled economy."

But, Mr. Stewart said, the Confederation parted company with those who called for it to accept more unemployment or lower living standards, and it could not allow what he called the burden *of structural change to* be lifted onto the shoulders of the working class.

The Confederation was "pursuing its fundamental right to protect the interests of its members whatever the panacea of the day may be thought to be."

Mr. Stewart went on to defend the right of skilled workers—now in seriously short supply—to a "realistic rate" for a standard working week. This reference to the age-old problem of pay differentials between skilled *and unskilled struck an* oblique blow at another current proposal: the plan for universal flat rate rises, involving sacrifice of differentials, put forward by Mr. Jack Jones, general secretary of the Transport and General Workers Union, which has a mainly non-craft base.

The speech set the scene for the debates to-day and to-morrow on pay restraint and the Confederation's next wage claim which could highlight tensions between the big unions as the TUC races for an agreed package with the CBI to avert an unpalatable set of Government measures probably adding to unemployment.

ACAS invites trainers, stable lads to talks

By Michael Thompson-Noel

MR. JIM MORTIMER, chairman of the Advisory, Conciliation and Arbitration Service, has personally intervened in the eight-week-old Newmarket stable lads' *strike by inviting both sides* to meet him in London this week.

He has *asked representatives* of the lads' union, the Transport and General Workers' Union, to see him to-morrow and members of the employers' side, represented by the Newmarket Trainers' Federation, to meet *him on Friday.*

However, while the TGWU *seems likely to agree to talks*, there is no guarantee that the trainers' federation, which has persistently—and controversially—rejected calls for arbitration, will change its attitude.

The strikers—around 130 of *Newmarket's 650 lads—are hold*ing out for a £1.47-a-week improvement in basic pay and are continuing to black out national TV coverage of race meetings.

TSB clerks settle for 22%-36% increases

BY OUR LABOUR CORRESPONDENT

PAY INCREASES of between 22 and 36 per c ent. have been concluded for 12,000 clerical employees of the Trustee Savings Banks backdated to May 21.

The agreement, concluded by the National Union of Bank Employees which has sole negotiating rights, comes just 10 months after their last deal and was accompanied *by a warning* that NUBE would present further demands in August or September if inflation continues to increase at the present rate.

Included in the deal is the percentage value of the £230 a year *cost of living threshold payments* which were consolidated into salaries last November.

Present minimum salaries for TSB staff are £1,776 for a senior *cashier, £3,021 for a junior* branch manager and £5,556 for a senior branch manager.

NUBE's claim of having gained increases for TSB staff "slightly higher" that the rise in the Retail Price Index for the period *covered contrasts with* the union's condemnation of the clearing bank staff associations for forcing acceptance of a 22.5 per cent. deal for clearing bank staff which fell short of the 25 per cent. RPI rise for the year *since* their last annual settlement.

Union leader concerned over safety equipment

BY OUR SHEFFIELD CORRESPONDENT

*IMPORTANT NEW safety equip*ment for Britain's mines is not *available to the industry* because of serious manufactur*ing difficulties. Mr. Arthur* Simpson, general secretary of *the National Association of* Colliery Overmen Deputies and Shotfirers told his union's annual conference in Scarborough yesterday.

*He said that several instru*ments, developed at the National Coal Board's Safety in Mines Research Establishment were not in full production because manufacturers considered that they were not a commercial proposition.

Mr. Simpson, whose 21,000 union members have important safety responsibilities in pits, said he was particularly concerned that a new methanometer and oxygen deficiency instrument was not yet in widespread service because of the supply problems.

This was an instrument he said which could eventually take the place of the safety lamp in *the mines. It was easy to* operate and reduced the margin of error considerably.

The industry was also experiencing delays in the supply of protective spectacles for mineworkers which have *splinterproof qualities.*

Tube pay deal may annoy Government

BY JOHN WYLES, LABOUR REPORTER

LAST WEEK'S railway pay settlement has cleared the way for agreement on a wage deal for 15,000 London Underground workers which is expected to meet with similar Government disapproval.

This is because London Transport and the three rail unions are expected to near agreement next week on an index-linked pay deal which ignores the Government's *frequently* expressed opposition to new cost-of-living protection arrangements.

In addition, the unions will want the offer to maintain traditional comparabilities between BR and Underground pay rates by yielding total rises of around 30 per cent. by the beginning of August.

Union leaders are confident that this can be achieved by triggering LT's offer of 0.75 per cent. pay rises for each 1 per cent. increase in the retail price index from the April index figures. They calculate that, by the end of July, this should produce rises of about 10 per cent. which, when added to thresholds worth £8 a week *they are* receiving as part of last year's agreement, should take total rises over the past year to above 30 per cent.

If, as seems likely, LT agrees, to trigger its new index-linked rises from the April figures, the new deal will be yet another *blow to the Government's hopes* of bringing pay settlements down below the current 30 per cent. "going rate" in the public sector.

LT has become one of the pace-setting employers as far as cost of living deals are concerned. All its employees were paid Stage Three cost of living rises of £8 a week—well above the widely-operated £4.40 a week cut-off *point.* For the Underground workers, these rises have been worth up to 25 per cent. over the past year, and under LT's offer the £8 will be consolidated into basic rates, thereby increasing overtime and holiday *payments.*

The new index-linked offer is virtually identical to a settlement made with LT busmen two months ago. The current Under*ground deal expired at the end* of April and present rates range from £32.31 a week for a guard to £41.66 a week for a motorman.

But earnings for a 44 hour week, excluding the £8 threshold, are considerably higher and run from £51.50 for a guard to £64.88 for a motorman with a driver of an automatic train on the Victoria Line earning £74.56 a week.

● *British Rail and the rail* unions yesterday began working party negotiations aimed at resolving outstanding anomalies thrown up by the pay restructur*ing concluded towards the end* of last year. Some 12,000 BR employees, including several thousand signalmen who engaged in industrial action over their pay grievances earlier this year, are covered by the talks. Other *grades include second men*, overhead line men, pay train guards and supervisors.

Kodak workers' claim worth more than 40%

BY ROY ROGERS, LABOUR CORRESPONDENT

DEMANDS FOR pay increases *and other benefits together worth* more than 40 per cent. have been lodged on behalf of 9,000 Kodak workers by the Transport and General Workers' Union.

The annual claim, the first since the Union of Kodak Workers joined the TGWU *last* year, is well outside the social contract guidelines supported by the TGWU leadership.

It involves 28 per cent. increases on basic rates, a five-hour reduction in the 40-hour week and an additional week's annual holiday. Also demanded is a *further cost of living* threshold arrangement following *the success of their trendsetting* threshold agreement last year which is expected to yield increases totalling 12 per cent. (on top of last year rises of up to 20 per cent.) by the time it expires at the end of July.

The TGWU is the sole TUC-affiliated union with bargaining rights for Kodak workers even though eight other TUC unions have fought a running recognition battle with the U.S. controlled company for many years.

The Association of Cinematograph, Television and Allied Technicians, the Electrical and Plumbing Trades Union and the Amalgamated Union of Engineering Workers have, however, won representational rights for their members at Kodak.

These arrangements cover only Kodak's 9,000 manual workers, *mostly women*, employed at its Harrow, Hemel Hempstead, Stevenage and Kirkby plants. The 2,000 members of the Kodak Senior Staffs Association are balloting on whether to join the Association of Scientific, Technical and Managerial Staffs Association.

After recent meetings of KSSA members, addressed by Mr. Clive Jenkins, ASTMS general secretary, the Industrial Society is conducting a ballot of KSSA members who are understood to represent about 98 per cent. of Kodak foremen and supervisors.

APPOINTMENTS

Samuel Montagu directorships

Mr. Roy M. Dantzic, Mr. Robert K. Ledsom, Mr. Oliver H. Russell, Mr. Arnold B. Shipp and *Mr. Mark A. Vaughan-Lee* have been appointed directors of SAMUEL MONTAGU AND CO. from July 1.

★

Mr. G. L. Williams has been appointed a director of the GUARDIAN ROYAL EXCHANGE ASSURANCE from July 1. He will continue as general manager, home, of the group.

★

Mr. E. F. G. Felstead has been appointed to the Board of ESTATE DUTIES INVESTMENT TRUST *from July 1 on his retirement as manager.*

★

Mr. Ernest Bigland, managing director and vice-chairman of the *Guardian Royal Exchange Group*, has been elected chairman of the BRITISH INSURANCE ASSOCIATION. *Mr. W. C. Harris* has been re-elected deputy chairman of the *Association* and *Mr. W. G. Haslam* has been made a deputy chairman.

★

BRITISH-AMERICAN TOBACCO COMPANY has made the following appointments from July 1. *Mr. P. Sheehy* will succeed *Mr. P. Macadam* as chairman of the tobacco division Board. He and *Mr. E. J. Symons*, a finance director, will join the chairman's policy committee. Mr. Macadam, who became vice-chairman of BAT in January, will become a *director of both* the cosmetics division and the retail division. *Mr. C. H. Stewart Lockhart* is to be deputy chairman of the tobacco division.

★

Mr. P. H. Aldridge has been appointed manufacturing director of THERMALITE.

★

Mr. Ronald G. Hooker has been appointed a director of RUBEROID.

★

Mr. George Fodor has been appointed to the main Board of BREMAR HOLDINGS.

★

Mr. W. J. R. Shaw has been appointed a director of ST. PIRAN.

★

Mr. Theodore H. Hargreaves has been appointed a director of CHARTERHOUSE JAPHET (MIDLANDS), the Birmingham branch *of* Charterhouse Japhet. Mr. Hargreaves, who was formerly manager of the South West area for ICFC in Bristol, succeeds Mr. R. F. Sammell, who has retired, *and will be responsible for running* Charterhouse Japhet's operations in the Midlands.

★

Mr. John F. P. Tate has been *elected chairman of* the WEST INDIA COMMITTEE. He succeeds *Lord Macpherson of Drumochter* whose term of office has expired. *Mr. W. M. Graham* has been *elected deputy chairman.*

★

Mr. R. D. Pitt has retired from the Board of LCP HOLDINGS and has become the first honorary *president of the company. Mr. D. M. Rhead* has been elected chairman.

★

Mr. Jack Matson, deputy chairman of the Monotype Corporation, is to be president of EUMAPRINT.

★

Mr. Martin Barber has been appointed group managing director and *Mr. Ken Harwood*, deputy managing director of the KEMPS GROUP (PRINTERS AND PUBLISHERS).

★

The BANK OF SCOTLAND is to open a full representative office in Houston, Texas, U.S., on July 1. *Mr. James R. Strachan*, formerly *an assistant district manager*, branch administration, has been appointed a representative, North America, and will join *Mr. Howard C. Duke*, who has been the Bank's oil consultant in Houston since 1972.

★

WIMBLEDON TENNIS

BY JOHN BARRETT

Ashe and Chris Evert win comfortably

THIS WAS more like it. The second day of the Wimbledon Championships, traditionally Ladies Day, blazed with warmth but *Monday's* dismal weather had truncated the programme so that many first round ladies singles had to be put back while the men concluded their unfinished business.

On the centre court Arthur Ashe and Bob Hewitt resumed with the *score* at 7—5 in the American's favour. Many pundits take Ashe as a likely winner here and certainly his game is suited to the fast Wimbledon turf. It is sharp, incisive and powerful with no hint of compromise.

Before this meeting began, he said he had set himself two targets for 1975—the WCT title and Wimbledon. The first is already under his belt and he *has prepared himself well* for this event with grass court tournaments at Beckenham *(where he beat fellow-country*man Roscoe Tanner in the final) *and Nottingham where he lost* to another left-hander Tony Roche of Australia.

Ashe's opponent yesterday always seems to figure in early dramas at Wimbledon. One remembers the Hewitt guile in *dismissing Lew Hoad in one of* the early Opens here and it is a tribute to his skill that at the age of 35 he was still able to make his opponent work hard for his victory which Ashe nevertheless acheived comfort*ably by 7—5, 3—6, 6—2, 6—4.*

Hewitt's great prowess is in the doubles game—he won his first title here in 1962. Yesterday he employed *one* of his successful doubles tactics by standing well inside the baseline to return the serve and he repeatedly embarrassed his oppon*ent. In the end*, though, it was his own service frailty which decided the issue. He was unable to serve hard enough or deep enough to prevent Ashe from hitting a high percentage of flashing winners.

After an hour and a half the men gave way to the top seed Chris Evert *who began* the defence of her title against a 19-year-old Australian Chris O'Neill. This proved a simple task for the American who dropped only six points in the first set and concluded the match in 35 clinical minutes to progress to the second round—her margin being 6-0, 6-2.

Although only a year older than her opponent, Miss Evert was too accomplished a performer *to allow the leading Australian* junior of 1974 to trouble her. The younger girl was clearly affected by the occasion and one could hardly contemplate a more daunting prospect than facing the metronome consistency of Miss Evert on a first appearance on Wimbledon's famous centre court.

Meanwhile, on the adjoining No. 1 court the second ladies' seed, Martina Navratilova, of Czechoslovakia, had already disposed of another promising Australian, the 12th-ranked Wendy *Turnbull. Miss Navratilova failed* to clinch matters at 5-4 in the second set when she lost her serve but she regained the initiative to complete a workmanlike 6-2, 8-6 victory.

Although she lost both the *Italian and French finals to Miss* Evert this year, her left-handed serve and volley game, in the mould of Margaret Court or Billie Jean King, is much better suited to *these faster courts. Besides, she* has beaten all the leading women in the world except Mrs. King in the past six months so that she is many people's favourite to win for the first time here.

Next on court one came the No. 2 men's seed, the incompar*able Ken Rosewall* who is always a firm favourite here. He defeated 22 year old Corrado Barazzutti 7—5, 6—3, 6—2 in 77 minutes of patchy play. Rosewall has *deliberately* played much less this year although the few tournaments he has entered have brought out the best in him.

He won at Jackson, Mississippi, Houston (a WCT event which, because he was not on the WCT tour, he had to qualify for) and *Louisville where he had a vic*tory over Stan Smith. Clearly yesterday he was feeling his way, not yet following every serve to the net nor, it must be said, hitting those awesome ground strokes with the precision to *which we are accustomed.*

For Barazzutti the task was *even more difficult by reason of* a late dash on Monday from Paris where, on slow clay, he had narrowly failed to win the deciding Davis Cup rubber for his country against France's Francois Jauffret. How he made *such a good transition from slow* to fast courts I cannot imagine and it speaks well of his natural ability that from the beginning he was embarrassing Rosewall.

With difficult matches in prospect against Roche and Stan Smith, Rosewall will want to sharpen his game in the next few days.

Elsewhere Guillermo Vilas, the current Commercial Union Grand Prix and Masters champion won the third set from Russell Simpson to complete a 7—5, 6—4, 6—4 victory. Vilas is seeded 4th but although this match was relatively comfortable he, like Rosewall, will need to improve if he is to reach the latter stages.

The 10th seed, John Alexander of Australia, starting from scratch had a straight sets victory 6—3, 6—4, 6—4 over Japan's Jun Kuki. Alexander, who was *a WCT finalist in Dallas* last May, was altogether too forceful and Kuki found difficulty even in making contact between racquet and ball on the fierce serves he *faced throughout the match.*

However, his Japanese Davis *Cup colleague*, Jun Kamiwazumi, beat the U.S. Davis Cup man Eric van Dillen 9—8, 3—6, 9—7, 7—5—a surprise result that revealed the basic value of fast *court coverage and an ability* to keep the ball in play.

The only British girl called for an early match was Joyce Hume of Scotland—the former Mrs. Williams of Wightman Cup fame. Considering her lack of competitive opportunity nowadays her excursion south from *Glasgow proved worthwhile* as she pressed the experienced Australian Helen Gourlay before succumbing 7—5, 6—4.

Perhaps the best unseeded woman, Rosemary Casals was made to work surprisingly hard by Gail Chanfreau before winning 6—2, 3—6, 6—1. She now *will play another strong outsider*, Lesley Hunt, the heroine of last year's valiant but unavailing fight in the first round against Miss Evert.

Such is the strength in depth in this part of the draw that the winner will go on to face either Nancy Gunter (U.S.) or the promising South African, Linky Boshoff. As if this were not enough, the next match for the eventual winner here will probably be against Virginia Wade, the 6th seed.

FINANCIAL TIMES REPORT

Wednesday June 25 1975

Management Education

The management training industry in Britain has swung wildly from successs to failure since it appeared in the mid-1960s. It is on the brink of another turndown in the face of Government cuts and companies trimming training budgets.

Manic-depressive

This Report was written by MICHAEL DIXON, Education Correspondent

THE AVERAGE child psychologist, reviewing the progress to date of management education in this country, would probably doubt its prospects of ever becoming a rational and effective adult. No other educational development, as far as I know, has ever had its early years so disturbed by manic-depressive experience.

When management education was brought into being as a sizeable activity here about a decade ago, it was loudly and repeatedly welcomed by numerous public figures who encouraged it to look on itself as a (if not *the*) key to the nation's future wellbeing. Around the time of its fifth birthday, however, the youngster which had been given the expectations of a favourite son suddenly found itself out in the cold.

For the private enterprise suppliers of courses the change came with the economic recession of 1970-71. The longer established and most of the best new independent operations continued to find a sufficient, although much reduced, demand—particularly for highly specialised services—and so kept alive a good deal of useful activity. But faced with wholesale cutting of companies' training budgets, a lot of the commercial firms perished and the prospects for the small entrepreneurial management trainer have, sadly, never really recovered.

For the State-supported suppliers, the reverse came at different times and in different forms.

The management teaching departments of the further education sector—the polytechnics and technical colleges—had had their feelings trampled on from the outset. What the public figures were welcoming in the mid-1960s was the arrival on the management education scene of the universities. Amid these effusions the useful work which some further education institutions had been doing for years was at best forgotten and at worst slandered as cheap and nasty. So although they received little positive benefit from it, the polytechnics and colleges must at least have felt some negative satisfaction when the backlash struck the universities.

It did so almost exactly four years ago in the shape of the Owen Report—the result of an inquiry backed by the British Institute of Management and the Confederation of British Industry. The inquiring tribunal, headed by Mr. Trevor Owen of ICI, visited about fifty large and medium-sized manufacturing concerns and asked for their senior managers' opinions on the new business schools. The opinions were in general distinctly uncomplimentary, and particularly so as regards the "ar.ogant" products of the higher-degree courses which the university business schools and management departments considered the pride of their prospectuses.

Criticism

The publication of the Owen Report let loose a wave of criticism by practising managers. Some of this was plain prejudice, but a good deal of it was dese.ved by a tendency among the management dons to concentrate on serving their own academic interests—apparently expecting the workng world, which had contributed millions towards the business schools' formation, to take whatever happened to be provided, and be grateful.

The dons' immediate reaction was to counter-attack, with the result that the educators and the managers became publicly split off from one another, with rank and file voices on either side declaring that the conflict could be ended only by the unconditional surrender of the other. Fortunately, and almost certainly by agreement, the leaders of both camps refrained from adding their voices to the sterile arguments about "principle."

With no newsworthy attitudinising to attract it, the public attention which had fitfully followed management education since the middle 60s shifted itself to other things, and the two sides were soon left pretty well in private to ponder realities. And even though four years later the basic split remains, a goodly number of bridges have been built across it and the relationship has improved.

One of the first reconciliatory moves was the formation by schools of advisory panels of business men. But to my mind this formal consumer-consulting machinery has played only a small part in the improvement of relations. Nor do I think that the main compromises have come from the company side, even though the late lamented upswing in business conditions which followed the 1970-71 recession brought renewed company interest in the management educators' products.

The major compromises have been made by the educators, and the reason for this is surely that the upswing coincided with a curbing of the previous headlong growth of public spending on university activities, coupled with a Ministerially-supported decision with the Department of Education and Science to develop the polytechnics.

The new business schools, ambitious to advance their academic reputation for higher-degree work and research, could plainly no longer rely on sufficient quantities of taxpayers' money. The best prospect lay in attracting increased revenue from companies and, in view of the proposed formation of a national network of Regional Management Centres based on polytechnics, the sooner the wooing got under way the better.

University management departments with lesser prospects of building up company custom decided that another way of advancing themselves was to capitalise on the growing popularity of career-connected studies with academically able school-leavers, by developing undergraduate courses.

Both of these trends had a stimulating effect not only on the further education sector, but also on the established independent colleges.

In the judgment of the aforementioned psychologist, the result would do great credit to management education's competitive spirit. But it would say nothing at all for its rationality.

Everybody seems to have set about marketing in every possible direction.

Courses for working managers have been generally increased in number, diversified in content, trimmed in length, and polished in presentation. The standard courses have been supplemented by the putting-together and sometimes the bespoke creation of teaching packages to suit particular industries or specific companies, and which can be used either inside the school, in the customer's premises, or alternately in both.

Consultants

In some of these "tailor-made" activities, the management teachers work as consultants to groups of managers tackling a real problem within their own company. Links between British departments and counterparts abroad have produced courses offering opportunities for study-visits to other countries. Even though only three or four of the proposed Regional Management Centres are so far operating anything like properly, various further education institutions are striving to get approval for higher-degree courses.

The best known independent colleges have already gone one better, having formed links with universities which enable them to offer master's degrees—in one case by taking a kind of block-release course, in the other by doing research.

The overall award for sharpness, however, is probably deserved by the Regional Centre which has been trying to arrange for Diploma in Management Studies courses to be advertised on television.

The trouble with all this overlapping competitiveness within what is now overwhelmingly a State-subsidised activity is that it is neither needed nor can be afforded. Once again we are poised for the plunge from the manic to the depressive and, with reports of cuts of up to 50 per cent. in company training budgets, it is up to Government to make sure that what survives this time is rational and effective. The question of the sort of management education that is needed, and Governmental intentions which will affect the answer are discussed in the following articles.

Falling demand for courses

THE DECLINE over the past months in companies' demand for management training has apparently been taking a different form from that of the 1970-71 cutback. Then, it was the multitudinous short courses in specific aspects of management which suffered, while the one-to-two-week general management courses survived relatively well.

The ravages of 1970-71 left a lesser tangle of growth to be hacked at, but this time it seems that the shortish general management course is more a victim than the specific course, and that the longer general management course is holding up better than most people on the supply side would have expected.

Some authorities think that the change in the pattern indicates that the organisations concerned now give more thought to their management development activities, with long courses being booked a good way ahead, and career plans being used to indicate individual managers' needs for "inputs" of training in specific aspects of their craft.

A new element of the pattern since 1970-71 has been the move by many concerns to providing training within the company, often importing "tailor-made" courses from schools or other organisations, instead of sending large numbers of staff to attend outside programmes. In many cases this can be an efficient and comparatively inexpensive way of meeting a good many management training needs, although at its worst it can produce a very "blinkered" type of programme, instructing staff how Company X does things, and leaving little room for investigating whether things could be done in better ways. Perbaps because this requires of a company a greater and longer-term commitment to the training—so offering greater security for the company training officers' jobs and budgets—my impression is that in spite of cuts elsewhere, the overall market for in-company work has continued to grow.

Even so, there can surely be little confidence that any kind of management training for practising executives is safe from cuts in the very near future.

Whatever the further decline in the company market, however, there will be a fair measure of help for the suppliers of management education and training from the Government-sponsored Training Services Agency. Under its Training Opportunities Scheme (known familiarly as Tops) the TSA is intending to promote a large-scale expansion in the use of management training by executives who have been made redundant.

About 1,400 managers took courses under the Tops scheme last year. With increases probable in the number of redundancies, the TSA is expecting that 5,000 may well do likewise this year. And if the worst—in terms of managerial unemployment—came to the worst, I gather that the

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MANAGEMENT EDUCATION II

National stock of common sense

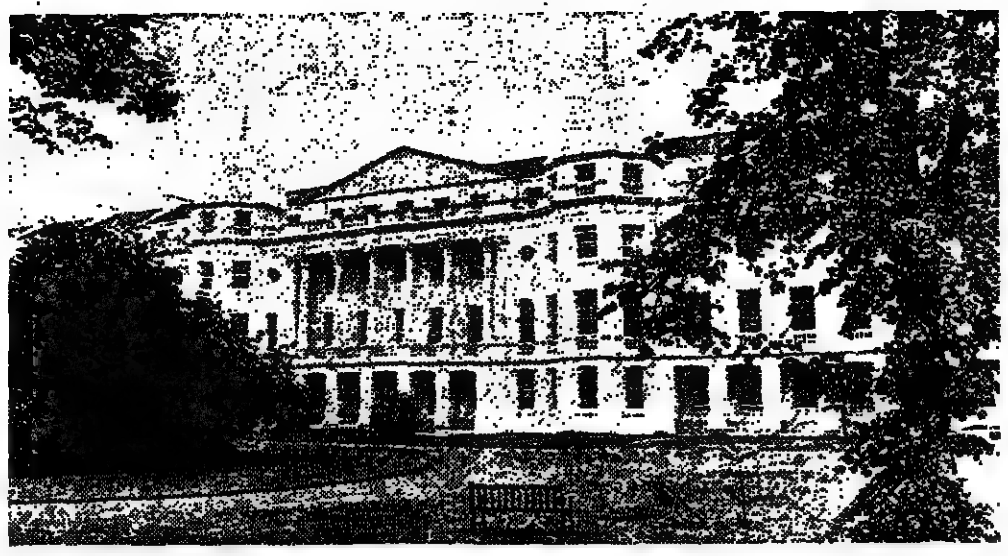
THE OTHER day a keen observer of management education gave me a sketch of what he considered to be the major difference between the London and Manchester Business Schools.

"If the London faculty were ordered to get fell in outside in threes," he said, "they would respond by forming up perfectly within seconds. But if the Manchester faculty were given the same order, they'd say: 'Hold on a minute. We'd better discuss this. Let's start with what you mean by threes.'"

I quote this to indicate what people acquainted with the two schools mean when they describe—as they usually do—the Manchester institution as the more academic. And practical businessmen who have been connected with the northern school tend to associate this approach, which can all too easily seem to them intellectual hair-splitting, with Manchester's director, Professor Grigor McClelland.

Yet for advice on what sort of basic State-financed structure of management education this nation needs, you could scarcely go to a better man than Grigor McClelland. This is because, since Christmas, he has been on leave from Manchester Business School and running his family business, the Newcastle-based food supermarket chain, Laws Stores.

The company, which has 1,500 employees, ran into severe problems last autumn and the existing management was unable to cope with them. So the professor moved out a number of the senior managers and "grabbed the steering wheel" himself. Over the past six months he has successfully turned the company round and is aiming for expansion with an eye on its going public five to ten years hence. He intends, however, to hand over the task of expanding the company to somebody else because he wants to return to the Manchester school when the new academic year starts in October.



The London School of Business in Regents Park.

Emergency

The ideas from the school which he said he found most helpful in his emergency role as a retailing managing director all seem to be essentially practical. One was the knowledge that when managers are in menacing situations, their fears can easily distort their interpretation of what is wrong. He was therefore careful to sound the opinions not only of employees, but also of customers in the stores. "This enabled me to go to our top executives and say I knew that on such a date a particular store was not stocking certain goods we had advertised."

Another help was Manchester's emphasis on looking at a company as a whole, from that working out the necessary objectives, and then designing a policy which in practical terms can be relied on to achieve the objectives. Using this procedure, the professor worked out which of the things going wrong were the important ones, in the sense that they could be put right and so gain the extra money the business needed. This became the basis of his plan for improving the profits and . . . well, he really made it sound that straightforward.

This perhaps explains his answer when asked what new ideas will go with him when he returns to head the business school.

"Management education," he said, "tends to concern itself with making the best practice better. But in this situation, and I think in many situations, the problem was advancing from a low level of sensibleness to a reasonable level. So perhaps greater emphasis should be placed on just getting people with common sense into positions where they can pull the levers.

"Where control systems are concerned, management education tends to think of ways of achieving sophisticated discrimination. But I think now that what needs attention is control systems which provide quick feedback and ensure that action is taken.

"In short, things which might seem to an academic to be small considerations, are often the important ones."

He then declared that he was not going to insist that the person who replaced him as managing director of Laws Stores must have a higher degree in management, or even a degree at all.

"These past few months I have been extremely impressed by a number of people who have got what it takes to succeed, but who left school by the age of 18 largely because they were browned off with the education system. I think that's an important reflection on our school sixth-forms and the image of our universities."

Now that view from the practising chief executive's desk and my own, admittedly academic, conclusions suggest to me (though probably not to Professor McClelland) that when this country set about expanding management education a decade ago, we started at the wrong end. If we are to bring the State-financed activity into line with this apparently undeveloping nation's needs, we now need to look at the schools where the first essential improvement is to ensure that all normal children are made both literate and numerate. Beyond that we need at the sixth-form stage a widespread expansion of GCE Advanced-level business studies, which could well be based on the "Marlborough" project now being used in getting on for 80 centres.

Incentives

Those steps alone should ensure a marked increase in the national stock of common-sense about the activity called management—whose mere existence seems to be considered by large numbers of present schoolteachers as a crime against the dignity of mankind in general and a threat to their own job security in particular. But the youngsters who wished to go on to degree studies would of course be enabled to do so, provided they were at least offered strong incentives to spend a year or more beforehand outside the education system and on their own resources.

Nobody would be under abnormal pressure to study at bachelor-level in management, but there should be further expansion of undergraduate courses in the field. Well designed and taught, these could serve the Robbins Committee's wish, which in the event was largely neglected, that there should be many more degree courses of a general kind.

At the higher-degree level we already have too many programmes. The polytechnics were intended to equal the universities in "esteem"—of which the most important element is surely the now notionally introduced parity of pay scales—but different in activity. Yet the elements of the few workings and many putative Regional Centres of Management Education seem to be making a useless priority of setting up higher-degree courses. They should not be allowed to do so. Those which already run them should have them withdrawn.

That would still leave too many in the university sector alone. I would plump for having a smaller number concentrated in the three main postgraduate schools (the third one is Cranfield), but which courses should be withdrawn and which continued would need to be decided carefully by a small committee at least half-composed of practising managers.

Since most postgraduate management students already have considerable working experience, it might seem unnecessary to stipulate a minimum entrance age of 25, but it should be done. These students, like all others, should normally be required to take loans to cover their financial needs while studying. However, grants would be available to the would-be students who could demonstrate the need for them.

As for the company market, the State institutions of all types could compete for custom but their finances would be thoroughly checked in an effort to prevent them from using public funds to gain advantage over private enterprise competition, of which we need more. Besides, the battles of wits that would no doubt periodically ensue between unscrupulous management school staff and the auditors would be a valuable learning experience for both sides.

Demand

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agency could make provision for 10.000.

"Where a single organisation is having to make a large number of managers redundant," says the TSA's chief executive, Mr. John Cassels, "we would expect the company to offer the training to the people concerned during their period of notice. But we would be prepared to help to fund this: we would pay to the company what would have been available under Tops if the same number of people had come forward personally."

Where individuals are concerned, Mr. Cassels expects that the first contact will be made during the short "self-assessment" seminars which the TSA is providing for unemployed managers up and down the country in conjunction with the associated agency, Professional and Executive Recruitment. The main purpose of the seminars is to give the redundant executives a realistic view of the employment situation which faces them, and to help them to work out in what ways they are—and are not—marketable. This will naturally introduce the idea of taking some sort of training with a view to improving "personal marketability."

Although efforts are being made to provide skilled counsellors to help the unfortunate managers to choose the training programme most suited to them, it seems probable that most will be left to work out their own best choice from a list of the programmes available.

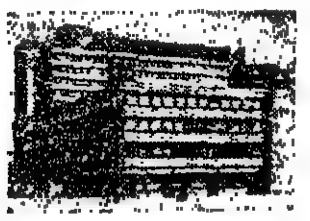
Various bodies — including the Regional Advisory Councils and the British Institute of Management — are assisting with the compilation of this list. Being a Government-sponsored concern, the Training Services Agency has its eye on the management teaching facilities of the State education system, but there is no reason in principle why programmes offered by private enterprise firms should not be included.

Under the proposal, redundant managers could take courses of up to one year in length—which apparently might include one of the 12-month master's degree courses as well as the Diploma in Management Studies and others. During the training the manager would receive the Tops allowance, with the training concern receiving a fee which, if a course is to be included in the scheme, must be "reasonable." Beyond that, approval for a course will depend on its being judged suitable for improving the particular applicant's job prospects.

The TSA thinks, however, that what most redundant managers will need is not a formal course so much as a "period of supervised self-instruction."

Even so, the plan is not without critics among leading personnel authorities who doubt that the large majority of managers made redundant will be able to find another managerial job regardless of their having trained to increase their marketability. These critics argue that in spite of earlier and current redundancy programmes, large companies tend to be considerably overstaffed in their managerial ranks. Far from encouraging redundant executives to try to reinstate themselves in similar work, the critics say, the TSA should be helping them to select and prepare themselves for some different kind of activity.

While the agency, under Government control and with a crisis on its hands, could be forgiven for being impatient with prescriptions about what, theoretically, it should be doing, the critics have an important case. It is that this country has a crying need for an integrated manpower policy with the various "skill-producing" efforts currently dispersed under several Government departments considered as a whole in the light of the best forecasts of need available, and making due allowance for the liability of those forecasts to error.



PARLIAMENT

Liberal statutory policy plan supported by 13 Tory MPs

BY JOHN HUNT

A GROUP of 13 Tories went against their party's official policy yesterday and voted in favour of a Liberal Bill aimed at setting up a new Prices and Incomes Board and reintroducing a statutory wages and prices policy.

But Labour, including at least 14 Ministers, voted solidly against the measure. Prominent among them were Mr. Anthony Wedgwood Benn, former Industry Secretary and now Energy Secretary, Mr. Michael Foot, Employment, Mr. Roy Mason, Defence, and Mr. Robert Sheldon, Financial Secretary to the Treasury. Mr. Bob Mellish, the Labour Chief Whip, also voted against.

The Bill was presented in the Commons by Mr. David Steel (Lib. Roxburgh, Selkirk- and Peebles) as a means of testing the opinion of the House. It was also intended to find out how many Conservatives agreed with Mrs. Margaret Thatcher, the party leader, in opposing a statutory wages policy.

Positive

The Bill was defeated by a majority of 134 (162-28) with the small group of Tories joining ten Liberals, three Scottish Nationalists and one Welsh Nationalist in voting for it.

Mr. Peter Walker, the former Conservative Trade and Industry Secretary, who has come out in favour of a return to statutory wage control, did not vote.

The Conservatives who voted for it were Mr. Ian Grist (Cardiff N.), Mr. Paul Hawkins (Norfolk S.W.), Mr. Charles Irving (Cheltenham), Mr. David Knox (Leek), Mr. Kenneth Lewis (Rutland and Stamford), Sir Anthony Meyer (West Flint), Mr. Anthony Nelson (Chichester), Mr. Antony Newton (Braintree), Mr. Graham Page (Crosby), who is a former Local Government Minister, Mr. Peter Tapsell (Horncastle), Sir George Young (Acton), Mr. Geraint Morgan (Denbigh), and Mr. John Biggs-Davison (Epping Forest).

The Bill was a private member's measure presented under the "10-minute rule" which allows two members to discuss its merits. It is a common device for sounding the feeling of the House.

Mr. Steel declared: "There is a growing view in all parts of the House that it is high time the Government took positive action to attempt to control inflation. We can delay no longer."

He recalled that in 1966 the Labour Government had introduced the Prices and Incomes Act which was supported by the Liberals but opposed by the Conservatives and by a section of the Labour party led by Mr. Michael Foot, the present Secretary for Employment. As a result, the Prices and Incomes measures, the Conservative Board had been established.

But in a "sad and foolish" Government of 1970 had abolished the PIB just when it was proving of real assistance in controlling inflation.

In a couple of years, however, the Conservatives repented of their folly and introduced their counter-inflation Act establishing a Price Commission and a Pay Board. Then the incoming Labour Government of February 1974 abolished the Pay Board.

Mr. Steel emphasised the danger of the present situation with inflation running at 30 per cent. and most commentators believing we were heading for unemployment of over 1m. by the end of the year.

"Most Governments are accused of promising jam tomorrow and never providing it. This Government says there will be no jam to-morrow and then watches everyone helping themselves to large dollops of it to-day."

The board he was proposing would have the power to undertake investigation of certain areas of incomes, such as the lower paid. It would be the responsibility of the Government to say what percentage growth in prices and incomes could be. It could refer to the Board any cases that went beyond the norm.

The Board could then make a recommendation to the Government to make exceptions or restrict the increases to the figure already laid down.

"I believe this Bill would be helpful in creating the machinery to establish a fair, expert and authoritative body," said Mr. Steel.

Opposing the Bill, **Mr. John Tomlinson** (Lab., Merton) said it would bring back all the rigmarole of statutory controls that had failed before. Those who supported the Bill seemed to have learned nothing over the past 10 years, he said.

Mr. Tomlinson, a former political organiser and head of research at the AUEW, argued that the Labour Government's old PIB had worked effectively in restricting pay rises in the public sector but not in the private sector where they had been 6 per cent. in excess of the norm. This had led to massive industrial disputes in the public sector at the end of the 1966-70 period.

He thought is a delusion to believe that a statutory body could deal with the problems of inflation and employment. The real way to tackle it was by increasing the productive wealth of the country and establishing a system of industrial relations that got management and labour working together.

Praise for Callaghan statement broadcast

BROADCASTS by the BBC and Independent Radio News of Foreign Secretary Mr. James Callaghan's statement on Mr. Dennis Hills, the British lecturer under sentence of death in Uganda, were praised by MPs yesterday.

Mr. Mike Thomas, Labour MP for Newcastle East, said: "Everyone who listened will have had an opportunity to sense the atmosphere in Parliament at this dramatic moment. I am sure that the experiment has been a great success and this event must surely justify, if justification were needed, its permanency.

"I have been told on all sides of the impact, brilliance and drama of this broadcast. It needed no embellishment."

Mr. Bob Cryer, Labour MP for Keighley, said: "I see no reason why dramatic announcements at critical moments should not be transmitted to the nation at the same time as they are transmitted to MPs."

Wilson predicts economy measures before recess

A GOVERNMENT package to combat inflation will be unveiled before the Commons rises for the summer recess at the end of next month, the Prime Minister, **Mr. Harold Wilson**, told the Commons yesterday.

Mr. Wilson said that the important thing was to get the measures right—"to get the right answer on the basis of consent and consensus."

Mrs. Margaret Thatcher, Opposition leader, had claimed that the Government's "delay and uncertainty" was damaging the pound daily. "When do you expect to bring a package of measures before this House for its approval?" she demanded.

Mr. Wilson replied: "What is important is to get the right answer and the right package, and that will not be the package you proclaim, without even the support of your colleagues.

"Getting the right answer on the basis of consent and consensus takes time. Your party tried to do it without that, and failed. They got the wrong answer on a basis which divided the country."

Tory MPs began to chant: "answer, answer," and Mr. Wilson countered: "The Chancellor has set a timetable. I hope it will be considerably quicker than the timetable he set."

Mrs. Thatcher pressed the Prime Minister to say if measures would be introduced before the summer recess.

Mr. Wilson replied: "Yes. Any measure brought forward—and I stress again the importance of getting consent and consensus—should be reported to the House before the summer recess, of course."

Earlier **Mr. Robert Adley** (C Christchurch and Lymington) had also demanded action on the economy. "Last month, you delayed because of the referendum, and this month it seems it is because of the Woolwich West by-election.

"The nation is now going to feel that you are either unfit, unwilling or unable to take any counter-inflation action. If this is so, you should resign," he claimed.

Mr. Wilson had replied: "What is important is that we get the right answer, and that must be on the basis of consent and consensus."

Mr. Norman Tebbit (C., Chingford), quoting Mr. Healey's week-end speech, said: "The Chancellor said then there were only six weeks to go to disaster. To-day, there are only 39 days to disaster. When are you going to act?"

Mr. Wilson accused Mr. Tebbit of "totally falsifying" Mr. Healey's remarks. "He did not say there were six weeks to disaster. You should really look at what was said and not falsify it in this way," he said.

Liberal leader **Mr. Jeremy Thorpe** asked for the Prime Minister's views about changes in the social contract.

Mr. Wilson agreed this was urgent, and pointed to the current discussions by the TUC and CBI.

Asked about his contacts with TUC leaders, the Prime Minister agreed that TUC co-operation had been forthcoming, "particularly in the proposals they have before them for relating wage settlements in future to the target rate for price increases." This was a very big step forward.

In another reply, Mr. Wilson said that strengthening the social contract was not a threat to the TUC. Companies had been warned that where too much was taken by wage settlements outside the social contract, a Government subsidy would not be forthcoming.

Mason unable to guarantee defence will escape any further public spending cuts

DEFENCE SECRETARY, **Mr. Roy Mason**, yesterday said he could not give an assurance that defence would be excluded from any further cuts in public spending.

He was replying in the Commons to Opposition defence spokesman **Mr. George Younger**, who said that our NATO allies took the unanimous and publicly-expressed view that Mr. Mason's defence cuts were gravely damaging to the alliance.

The least we could do was give an undertaking that there would be no further cuts, both for the sake of our own country and people in the Services.

Mr. Mason said he agreed that our NATO allies had been seriously disquieted by the defence review. "I am sorry I cannot give the House a categoric asurance that defence cuts would not flow from any other public expenditure reductions.

"As far as I am concerned, if I feel it will impair our role or the security of the State, I will try to help."

Replying to **Miss Janet Fookes** (C., Plymouth Drake), Mr. Mason said: "If there have to be major public expenditure cuts, defence could not avoid them.

"What perturbs me is that you and your friends keep pressing me to spend more on defence while Opposition economic and financial spokesmen are calling for public expenditure cuts of £4.5bn."

In reply to **Mr. Frank Allaun** (Lab., Salford E.), Mr. Mason said that on planned expenditure on defence, there would be a saving of £2.19bn. over the next five years at 1974 prices.

Mr. Peter Mills (C., Devon W.) said that the Government was causing concern among young people seeking a Service career. "Is there any future for young people in the Services?"

Mr. Mason said that our international posture was at an end. With the new posture, every young man who joined the forces would know their future would be geared to the alliance with Europe. "And in that, we certainly have a role to play."

Mr. Christopher Price (Lab. Lewisham W.) urged the Government to consider the Special Air Service regiment as a candidate in any further defence cuts. "Many Labour MPs do not think its activities do any credit to Britain," he said.

Mr. Cyril Townsend (C. Bexleyheath) said "Many of us are getting increasingly bored with the totally uncalled for attacks on what is perhaps the finest regiment in the British Army."

Agreeing with Mr. Townsend, Army Under Secretary, **Mr. Bob Brown**, said: "The SAS is a fully volunteer regiment. It is a fine regiment and doing a very fine job. Its main role is in the NATO context."

Mr. Mason told another questioner that European countries with airframe and aero-engine industries would have to co-operate, otherwise we would in future have chiefly to buy "off the American shelf."

The result would be that European aircraft industries would gradually wane and might not be able to survive.

Minister rejects heightened nuclear war risk claim

DEFENCE CUTS have not increased risks of nuclear war, Under Secretary for Defence **Mr. Brynmor John** told the Commons yesterday.

He rejected the "doom" picture painted by Tory defence spokesman **Mr. Cranley Onslow**, who had opened a debate on the Royal Air Force and warned of security dangers to the U.K. and NATO because of Labour's defence cut-back.

Mr. Onslow said: "We condemn the Government because their policy has put the security of the U.K. and the integrity of NATO into grave jeopardy.

"The Government has so weakened the conventional strength of the NATO alliance that the scope for flexible response has been very seriously reduced," he added.

Therefore, there was a corresponding increase in the danger that any conventional conflict might escalate into a nuclear one.

But Mr. John insisted: "The picture is not one of doom, but of a strengthened capacity to help in defence where such help will be most effective, which is the central region of Europe."

The main argument of the defence review was to concentrate efforts where the Government thought they were most needed—the U.K., the East Atlantic, and the central region of Europe.

Mr. John said that all three services would do what they could to minimise the interruption of civilian employment because of the defence cuts. It was hoped that 14,000 of the required 18,000 total reduction in the RAF could be achieved by natural wastage and reductions in intake.

Many of the inevitable redundancies would be met by volunteers and there would be little need for compulsory sackings. "But the number of volunteers for redundancy is by no means excessive, which suggests that the redundancy terms offered were just about right. There is no mass exodus of our officers from the service."

Mr. John said: "I believe it would be wholly wrong for the Opposition to divide the House on the spurious grounds they have so far put forward."

Miss Janet Fookes (C Plymouth Drake) who described Mr. John's speech as "a soothing one, like somebody trying to soothe an over-nervous child," said many airmen would be disturbed at "seeing their careers cut off in full flight."

The defence cuts were "cutting not merely near the bone, but into the bone."

Mr. Frank Allaun (Lab Salford E) said he wanted to convey to the Cabinet the message that many Labour MPs would oppose cuts in social spending—which it was rumoured would be made within a few weeks—even by a penny, if the Government did not first carry out its election manifesto promise of cutting spending on arms.

He was strongly opposed to export of arms. "It is one export we do not want. It increases world tension and there is a moral issue involved."

Mr. Allaun said: "There is something disgusting about profits being made out of men slaughtering one another with the arms that are being sold."

Mr. Kenneth Warren (C., Hastings) said: "It is my fear that the Russians are developing a sea and air stranglehold on us which will close rapidly round our throat and we will not fight a war at all before we are defeated."

Government defeated on industrial democracy

BY JOHN HUNT

THE GOVERNMENT suffered a defeat in the Lords last night on the Bill which sets up the Welsh Development Agency. By a majority of 18 (86—68), the Conservatives carried an amendment striking out the section of the Bill which stipulates that one of the Board's functions should be to promote industrial democracy.

The agency will have the task of carrying out the policies of the proposed National Enterprise Board within Wales. The idea that it should promote industrial democracy is a concept strongly supported by the Left wing of the Labour party.

Instead, the Conservatives want the agency to promote good industrial relations and appropriate employee involvement in undertakings with which the agency is associated.

It was the second day running that the Government has been defeated in the Lords. On Monday, it suffered four major reverses on the Bill which sought to lift the disqualifications and surcharges on the Clay Cross councillors.

Lord Aberdare, for the Tories, told the House yesterday that "industrial democracy" was a hopelessly ill-defined term. To some, it meant worker control, to some postal ballots for union elections while others thought that it included employee participation in the affairs of local councils.

For the Government, the Lord Chancellor, **Lord Elwyn-Jones**, said that the phrase although broad provided the flexibility needed in the undertakings which the agency would be responsible for. It meant the participation of the representatives of the whole work force in decision-making in industry.

Lord Elton, for the Conservatives, moved another amendment seeking to ensure that details of Government selective financial assistance to commercial firms should be reported immediately to Parliament in terms agreed with the directors of the company seeking assistance.

Lord Elwyn-Jones promised that this subject would have consideration when the Bill was in the Commons.

On this assurance, Lord Elton withdrew the amendment. The Bill was given an unopposed third reading.

Labour MP backs Tory claims on maternity rights

A LABOUR MP yesterday supported Opposition claims that new maternity rights for women workers could impose an intolerable burden on thousands of smaller employers.

Mr. Jim Sillars, MP for South Ayrshire, told the Comons Standing Committee on the Employment Protection Bill: "It is ludicrous for Parliament to pass a law which certain sections of the community have no chance of obeying.

Opposition MPs had proposed that employers with between one and four workes should be excluded from having to pay maternity pay, and from the obligation to reinstate women workers who decided to return to their jobs after having a baby.

"I couldn't face a lot of small employers in my constituency knowing I had helped to pass legislation which imposed a burden on them which they couldn't carry out," said Mr. Sillars. But he later voted with the Government in a division which rejected the Conservative amendment by 12 votes to 11.

Mr. Kenneth Baker (C. St. Marylebone), said that small shops and offices employing one or two people would face special difficulties over the right of women workers to return to their former jobs after having a baby.

It would be difficult to find replacements for the women while they were away if the replacements knew the job would only be temporary.

Employment Under-Secretary, **Mr. Harold Walker**, said it would be wrong to exclude some women from protection under the Bill simply because they worked for small employers. Equity demanded equality of treatment.

The Opposition proposal would cause severe injustice to very many women. There were 1.1m. women employed in units employing between one and four workers.

Earlier, the Government agreed to change the Bill so that entitlement to maternity pay would not depend on whether a woman worker said she wanted to return to her job after having a baby.

Free boats from higher VAT rate, says Tory

BOATS AND their equipment should not be subject to the proposed 25 per cent. VAT, **Mr. Jerry Wiggin** (Cons., Weston-super-Mare), told the Commons Standing Committee on the Finance Bill yesterday.

The Government's proposals should be modified, he said. It was not a spectator sport but one in which many thousands of people now took part ranging from the few who had large yachts here or abroad to the many thousands who went sailing in small canoes and racing dinghies.

"We take the view that boats are not a suitable subject for the higher rates of VAT," he said. Boating was mentally and physically demanding, highly recreational and much encouraged by previous Governments of all parties. It was not the sport of the idle rich.

The accent on youth was apparent throughout the sport. Of the 60,000 people who took part in the Royal Yachting Association group courses last year, 40,000 were under 18 years of age.

The cost of a racing dinghy was no more than a set of golf clubs and the dinghy sailor did not require an expensive course on which to practise his sport.

Mr. Wiggin pointed out that the Government provided financial assistance for those who wanted to learn sailing. There were subsidies for coaching and sailing centres. He also mentioned that recent figures of the Boat Building Federation showed that there was an alarming decline in the industry.

The Executive's World

EDITED BY JAMES ENSOR

The Government favours 'industrial democracy.' But **Geoffrey Owen** outlines the problems and argues

Managers must still make the decisions

How can the National Union of Blastfurnacemen be expected to enthuse over a programme that could halve its membership?

AT THE HEART of the debate about the Government's Industry Bill — and about other proposals for "industrial democracy"—is a confusion between two very different propositions: The first is that employees, through their trade union representatives, *should have the right* to be consulted about and to influence decisions which directly affect their jobs and working conditions. The second is that employees should be given detailed information *about, and should participate in, all* major management decisions.

Many managers would accept the first proposition but strongly resist the second, not on ideological grounds, but because it is simply not feasible; it implies *a community of interests* between management and unions which does not, as yet, exist. An awareness of common interests is not something that can be created by legislation; it has to be worked at and developed within the individual enterprise, and this is a long and often frustrating process. Before the *Government rushes* ahead with enforced participation on a *grand scale, it should consider* the experience of those companies *which have attempted a* more limited form of participation, *in the area of* jobs and working conditions.

Demarcation

Ten years ago ICI consciously adopted a participative approach in trying to raise its labour productivity closer to the level of its foreign competitors. As Mr. Joe Roeber shows in a new book(1) on ICI's experience, the management recognised that substantial manpower savings were available, but only *if they attacked the demarcation* rules and restrictive practices *which were deeply ingrained in* the industry.

The purpose of the Manpower Utilisation and Payment Structure (MUPS), agreed with the unions in October, 1965, was to measure, analyse and reorganise all the work being done by hourly-paid employees in the company. The aim was flexibility between trades (especially between craftsmen, and process operators), a simplified wage structure and detailed job assessment. But the novel feature of the agreement was that the process of reorganising jobs was to be co-operative. As Mr. Roeber puts it, "it was a complete departure from the ICI tradition of decision-making, of technical expertise deployed within a framework of managerial prerogative."

The task of implementing MUPS *and its successor, the* Weekly Staff Agreement (WSA), *proved far more difficult* and time-consuming than anyone had *anticipated. At the start there* was resentment that the agreement had been negotiated nationally without involving local *shop stewards.* AEU stewards, especially, saw it as a *threat to the status of the craftsman.* The strongest resistance came *at Billingham and Wilton* in the North East, where the *local union leaders* seemed determined to protect their members' *immediate interests*—described by Mr. Roeber as "the preservation of jobs and status, procedural distinctions, demarcations and any other structural defence against a fluid labour situation on the site." It was only after two old-fashioned confrontations—the dismissal of the AEU senior steward and the defeat of a TGWU strike—that management regained some initiative.

Gradually, after much effort, the new approach began to gather momentum, as managers and shop stewards saw the value of a shared approach to the problem of productivity. At the Gloucester fibre plant, one of the most successful exponents of the new style, savings in manpower, after allowing for new work in the factory, were up to 37 per cent.: output per man increased by about 40 per cent. Between 1969 and 1972 ICI as a whole increased sales value per employee significantly faster than its overseas competitors: the gap in productivity was being reduced.

There is little doubt that this would not have been achieved without the move away from management by decree towards management by consent and co-operation. Yet two qualifications need to be made. The first is that the initiative for change still tends to come from management. The most serious over-manning in ICI to-day, as in the rest of the chemical industry, concerns the maintenance area. Typically a British plant uses three craftsmen where the comparable German unit uses two. There is more labour mobility in German plants, more freedom to use contractors when necessary and more flexibility between process operators and craftsmen[2]. To match the German manning levels will require another major initiative on the part of management in the U.K.

PRODUCTIVITY IN STEEL

(current tonnes per man-year)

COMPANIES		PLANTS	
Nippon	520	Oita	750
Thyssen	370	Fukuyama	750
Kawasaki	350	Sidmar	360
National Steel	280	Anchor	350
BSC (5 best plants)	195	Taranto	310
Hoogovens	150	Salzgitter	280
BSC (average)	122	Yawata	260

Note: Because of the difficulties in obtaining comparable data the figures can only be regarded as tentative. The main factor depressing the BSC's performance is the long "tail" of obsolescent plant, whereas Nippon's output is concentrated in fewer, more modern and larger works.

Secondly, one cannot expect union officials, national or local, suddenly to abandon their traditional role, that of defending the livelihood of their members, in favour of a new one, that of assisting the company as a whole to become more efficient and more profitable. Mr. Roeber quotes comments from several ICI managers that "where shopfloor workers and stewards were given the opportunity to take decisions, it was explicity rejected: discussion was fine, but decision-making was not, perhaps because it implies not just responsibility (which people learn to enjoy) but commitment and so a confusion of roles." Mr. Roeber also notes that in changing large organisations like ICI the national unions do not generally play a positive role: "it was always possible for the unions to block movement but not to make it happen."

These facts are conveniently overlooked by those who argue that a redistribution of power from management to unions will, of itself, provide one of the keys to higher productivity. Modernizing a company means changing, often in a drastic and painful way, the way people work: the instinctive reaction of the unions is definitive, even hostile. The British Steel Corporation, for example, is seeking the consent of its employees to the changes that are necessary: it is not expecting, either from employees or unions, enthusiastic co-operation.

Like ICI, the BSC knows what needs to be done to bring productivity up to the best international levels. Obsolete plant has to be closed down, production concentrated in the most efficient works, and new plants of optimum size and technology have to be constructed. The extent of the BSC's lag is illustrated in the tables, which give a very rough indication of relative productivity. Output per man in Japan is probably more than twice that of the British steel industry, but this conceals wide differences in productivity among individual plants. Thus the Anchor plant at Scunthorpe, the most modern in the U.K., compares favourably with Continental plants though still well below the best Japanese units.

A modern steel industry requires fewer plants and fewer employees. What can the unions contribute to this? As Mr. Ken Jones has shown in a study (3) of the social aspects of the BSC's rationalisation programme, the management has involved the unions in a lengthy consultation process, including the provision of detailed financial information to works action committees and their consultants. But at some point the employer has to take the decision: if it is to go ahead with the closure, then the consultation process is thought to have been a mere charade. Some people will want to go on arguing about it until the day it is implemented: they resist offers of retraining and job counselling as a plot designed to divide the opposition. As Mr. Jones remarks, "there is no logical argument which can convince men that their own works should close and this needs to be recognised by the employer."

The most national trade unionists can be expected to do, says Mr. Jones, is to acquiesce in certain proposals. Some of the unions, after all, face a drastic decline in their own membership. How can the National Union of Blastfurnacemen be expected to enthuse over a programme that could have the effect of halving its membership by the early 1980s? At the very least they will be sceptical about the need for closures and will drive the hardest possible bargain for their members.

Power

It is undeniable that the power of large organisations to coerce their members has been greatly diminished. The behaviour of ICI and BSC reflects, in different ways, the change in the power balance. As an ICI manager told Mr. Roeber, one consequence of WSA was that "a basic assumption of endless conflict between unions (defenders of their members' rights) and managers (servants of capital) was being challenged by the discovery of areas of common interest." But ICI's experience also illustrates the practical problems of participation. Management still has to manage and unions still have *to perform* their *basic* function, which is to protect the *livelihood of their members.* No doubt the movement towards *power-sharing in industry will* continue, but no one should *suppose that a new era of joint* problem-solving can be created overnight—*least* of all by legislation.

1.—Social Change at Work. by Joe Roeber, Duckworth, £8.50.

2.—See Chemicals Manpower in Europe, published by NEDO in 1973.

3.—The Human Face of Change by Ken Jones, Institute of Personnel Management. 90p.

Germans in the Deep South

BY NORRIS WILLATT

ROBERT BOSCH, the West German automotive parts and household equipment manufacturer, has re-established production in the United States, in —of all places—Charleston, South Carolina.

One might have expected that Springfield, Massachusetts, the site of the company's first two invasions of the U.S. market, would have been a more likely choice. It was in 1906, only 20 years after the foundation of the firm which still bears his name by Robert Bosch, designer of the first practical ignition and fuel injection systems, including the spark plug, that Bosch first began operating in the U.S., through a New York sales company, followed by the establishment of a manufacturing company *in Springfield, the first* Bosch factory overseas, in 1909.

This operation, producing *ignition systems, was* expropriated during the First World War. The Germans *returned* to Springfield in the early nineteen *twenties, with more advanced* and more diversified automotive *products, including, after* 1927, fuel injection pumps for diesel *engines. This was expropriated* during the Second World War.

During the last quarter of a century, Bosch has tried to make it *third time lucky. The sales* company was reincorporated in New York in 1953, but the headquarters were moved in 1967 to Broadview, a suburb of Chicago, closer to the geographical centre of the country, and also to the principal customers.

Yet, when the parent company in Stuttgart decided once more to set up a manufacturing operation in the U.S., it chose the South, at Charleston. Why? The answer is, on the basis of most careful research, which eventually narrowed down the choice to the States of Ohio and South Carolina. On the face of it, Ohio looks the more logical. It is closer to most of Bosch's main U.S. customers, such as International Harvester, Allis Chalmers, John Deere and Mack, for example.

These and other major U.S. *corporations* are becoming bigger and bigger users of the *fuel injection pumps of which* Bosch has long been a leading *world producer: because of the* growing attraction of diesel *power in a country that* traditionally has negelected it.

In 1973, only 800,000 diesel engines were assembled in the *United States but forecasts* suggest that total U.S. diesel engine production *will rise to 750,000* units by 1976, and to 1m. by 1980.

It was on the basis of such statistics that the West German mother company concluded the time was ripe to begin manufacturing in North America. The reasons which led it to choose a factory site in South Carolina were many and varied. A basic one was the calculation that it was no further, and therefore no more expensive, to transport products to the Middle West market from South Carolina than from New York.

Several shipping lines from Northern European ports, such as Rotterdam and Bremerhaven, regularly serve Charleston, which is equipped with an excellent modern container port. Labour costs are lower than *farther north in the U.S.; and* also, incidentally, than in West *Germany, now* that the Deutschemark has undergone so high *a revaluation in terms of* the dollar.

In the Charleston area, too, Bosch discovered—and this must have been a pleasant surprise—a pool of highly-trained, skilled labour. One reason for this is the enterprise of the State of South Carolina in establishing a first-class technical education centre, which works closely with industrialists, even to the extent of encouraging them to provide their own equipment for on-the-job training at the school. Bosch had no difficulty getting the 250-300 qualified people it needed to start operations. It has been impressed by the pride in work of the local people, and the comparatively low rate of absenteeism.

The State was also highly co-operative in other ways. It fed into a computer Bosch's specifications for a suitable site, and came up with several alternatives. Bosch checked them all out, and chose one on the outskirts of Charleston. This was in February, 1973, and ground was broken for the $5m. plant in the following May. The first fuel injection pumps were assembled just a year later. One year still further on, management, though unwilling to disclose figures for competitive reasons, affirms the enterprise is already a success.

Charleston and other communities of South Carolina have become something of a mecca for West German firms doing business in the United States. Among German companies established there are the Big *Three of the chemical industry,* BASF, Hoechst and Bayer; and *the total list of some two dozen* names includes firms in the *steel products, textile, textile* machinery, chemical and other *industries.*

BUSINESS PROBLEMS

Tax on dealings in futures

BY OUR LEGAL STAFF

I have been told that a managed syndicate *dealing in futures* is liable for tax only at the capital gains tax rate, but an individual is liable to income tax. Is this correct?

On the basis of the decision in Mr. Norman Wisdom's case in 1968 (Wisdom v Chamberlain 45TC103), profits from commodity futures transactions carried out by a private individual could be assessable to income tax as earned income under Case I *of Schedule D.* Whether profits from passive participation in a managed syndicate should be regarded as *capital gains or as* unearned income (or indeed as earned income) is a question of *fact, for* decision by the Commissioners, according to the particular circumstances of each case. There is no rule-of-thumb answer and, if you have no experience in the commodities markets, it would be wise to seek *professional guidance before entering into commitments.*

Inaccurate minutes

I have received a copy of the minutes of the annual general *meeting of a public company, but* do not agree that they constitute *a true account of the proceedings.* What should I do?

Your proper course is to raise the matters of inaccuracy when the minutes are read, and before they are signed, at the next general meeting. Once the minutes are signed, it depends on the *Articles of Association* of the company whether the minutes are conclusive (in which case *they can only be displaced* or amended *if* fraud or bad faith is proved) or are capable of being displaced by evidence of the true sequence of events at the meeting concerned.

Retirement and the Land Compensation Act

I have a business which will be *involved in a Compulsory Purchase Order.* I understand that in view of the fact that I am over 60 years of age, and do not really wish to be involved in the upheaval of moving, that there are special provisions available in the Land Compensation Act 1973 that may be worth considering. *Could you outline what is involved* in making a claim under this Land Compensation Act 1973, whether account is taken of any stock and equipment, and who has the ultimate responsibility for disposal of same.

Section 46 of the Land Compensation Act 1973 enables you to claim your compensation on the basis that the business has come to an end instead of its merely being removed from one *place to another. This means* that the loss of profits must be computed *on the purchase value of* the business, not simply on a notional interruption of trading. You would normally be free to dispose of stock and equipment, making your claim for the goodwill. To take advantage of the provisions of Section 46, you must have reached the age of 60 years, the premises must be of an annual value not exceeding £2,250 and you must undertake not to dispose of your goodwill and not *to engage in the same* kind of business in the locality.

*

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WEDNESDAY, JUNE 25, 1975

Differential trouble

IT MAY seem perverse that, when the Government seems at last to be screwing up its nerve to take more effective action to bring inflation under control, there should be a renewed run on the pound; yet the exchange rate closed yesterday at a weighted depreciation of 26.7 per cent. against other currencies, its lowest yet. Such a drop is less serious nowadays than it was under a system of fixed exchange rates—there are those, indeed, who argue that if unemployment is rising fast we should take every practicable step to make our exports more competitive—but there are sufficient short-term funds in London which could be moved out if the future for sterling looked too bleak for the authorities to be acutely sensitive to what is thought to be foreign opinion. The Prime Minister's statement in the House yesterday, that the Government would announce a package of some sort before Parliament rises for the summer recess, was presumably meant to be reassuring.

Yet if the emphasis which he placed on the need for agreement and consensus was meant to be a major reassuring factor, he may well have been badly advised. Certainly a mass revolt by organised labour against Government economic policy would upset foreign holders of sterling, and with reason. But there is at present no question of that. The point at issue is the force with which the Government now moves to reduce our current rate of inflation and the extent to which it is likely to secure full trade union co-operation in its policy.

Concessions

One might have supposed that the Government's experience of the working of the social contract had made Ministers slightly more sceptical, if not actually cynical, about the value of any undertaking hastily entered into by the leadership of the TUC. There is no doubt that their wish to secure the voluntary co-operation of the unions has caused them to set their sights too low and to make concessions to trade union opinion in exchange for promises which have not in the event been met. There is no question here of dishonouring an agreement: the simple fact is that the TUC leadership is itself divided on these issues and is therefore in a still weaker position than it otherwise would be to enforce its views on the leaders of individual trade unions, let alone their members.

The main danger, from the point of view of the overseas observer, is not so much that the unions may refuse to have anything to do with the Government's plans for controlling inflation. Provided only that the Government were ready to act without the support of the unions, this might be a positive gain. But the point is in any case unrealistic. The real danger, which is as obvious abroad as it is at home, is that the Prime Minister's wish to avoid a major division of opinion inside the Labour Party may drive him to accept some variant of the Social Contract, some set of vague assurances from the TUC, at a much higher price than it is worth and to offer in exchange various sops to union opinion—on price control, for example—which will undoubtedly harm the economy.

ICI example

One should not therefore be altogether dismayed if the consensus for which Mr. Wilson is seeking proves elusive. The engineers have already voted against working with any kind of social contract, new or old. The Scottish and Yorkshire miners have already begun to make it clear that they will continue under all circumstances to regard miners as an exceptional case. The idea of a flat-rate ceiling on all pay increases for the coming year is running into trouble now because the flat-rate acceptable by the Government is lower than that put forward by Mr. Jones. But it was in trouble from the beginning for a more fundamental reason. If an object lesson is needed on the trouble that is bound to arise sooner or later from the erosion of differentials, it is there to be seen in the major dispute between ICI and its workers, which has arisen basically out of the embittered feelings of craftsmen. Artificial pay restraint can be almost as harmful if prolonged as artificial price restraint. The fact that many groups of skilled workers are now feeling aggrieved on this point is another reason for placing relatively little reliance on any proposals which the TUC may be able to agree within the next few weeks and much more on the management of demand in general and of public sector demand in particular.

The rule of law is sacred

THE JUDGE in India's Vacation Court yesterday provided new ammunition for both the supporters and the opponents of Mrs. Indira Gandhi. Mr. Justice Krishna Iyer granted the Indian Prime Minister a stay of execution from the Allahabad High Court order unseating her from Parliament and barring her from elective office for six years. That will no doubt cheer her and her party supporters who have been arguing that she should continue in office. But the judge also attached conditions to the stay of execution and ordered that Mrs. Gandhi should not vote in Parliament until the Supreme Court finally settles the issue.

Corrupt practices

The growing numbers of her opponents are already arguing that this is another reason why Mrs. Gandhi, found guilty and convicted of corrupt electoral practices, should immediately resign and let someone else take over at least until the Supreme Court clears her. They have a strong case, and by staying on in office Mrs. Gandhi merely offers them more ammunition if the court clears her.

But if Mrs. Gandhi chooses to stay on now, she will. Her party can be relied on in Parliament to support her in a confidence motion. But some of the twists and turns of the debate have their dangerous touches, which could threaten what is still the biggest democracy in the world. Mrs. Gandhi and her supporters have been using the official machine to point out that she has not been convicted of corruption, only of corrupt electoral practices. The official line is to trivialise the offences and to claim that in most countries in the world they would not have been offences at all.

A further argument is that Mrs. Gandhi herself cannot be held responsible for the actions of minor officials trying to protect her security, or for the action of an official who she thought had resigned. But this is a question for the court to settle, and there is a dangerous tendency in some of the official arguing to place Mrs. Gandhi on a pedestal above the law, the Supreme Court and even democracy.

It may be true that the offences are trivial — certainly they are when set beside the undoubted electoral corruption that does go on in India and is never heard by a court, let alone punished. But this is not an argument for letting Mrs. Gandhi escape the law. There have been some suggestions by members of the Congress Party that Mrs. Gandhi should try to evade the law by altering it. One suggestion is that the law should be altered so that convictions and punishments apply only to the term of Parliament for which the offence was committed. Such a rule would allow her to escape almost scot-free as Parliament has only another few months to run and she can continue as Prime Minister for six months without a seat in Parliament.

Such a course would set a dangerous precedent. The same caution could be given to those of her supporters both inside and outside India who are arguing that it would be disastrous if she lost office. Her record as a political in-fighter in her own cause has been superb, but the same cannot necessarily be said of her record at working to solve India's problems. What matters now is that the Supreme Court decision, when it comes, is accepted. It would be worse for India to give up part of its law and democracy for the sake of Mrs. Gandhi than it would be to lose Mrs. Gandhi for the sake of law and democracy.

Conflicts behind Portugal's crisis of authority

By IAN DAVIDSON, European Editor

IF last week-end's communiqué from Portugal's Supreme Revolutionary Council seems to have pleased the country's political parties, it is primarily because it represents a reprieve for their continued existence rather than because it resolves any of the internal contradictions which characterise the fumbling process of improvisation know in Portugal as the Revolution. General Otelo Saraiva da Carvalho, the head of the security forces (CopCon), has been given a sharp rap over the knuckles both for allowing his troops to take the law into their own hands (as in the handling of the *Republica* affair) and for attempting to shift the revolution in a more authoritarian-populist direction. The coalition Government, with its mixture of military and civilian leaders, has been given a further lease of life, and the Assembly elected two months ago is to continue with its task of writing a new constitution. But it would be premature to assume that these or any other decisions taken during the eight-day marathon of the Supreme Revolutionary Council will end the crisis of authority, which is Portugal's most obvious and most pressing problem, or give any reliable guide to the future.

Metaphorically speaking, Portugal is in a state of free fall. Enthusiasts for the revolution describe it as "original," but a more accurate word would be "anarchic." The problem is not that the revolution has been violent: on the contrary, and despite the frequency of political or workers' demonstrations, there has been and still is less political bloodshed in Portugal, and by a very wide margin, than in, say, Spain or Italy.

Despite the frequency of political or workers demonstrations, there is still less political bloodshed in Portugal than in, for example, Spain or Italy. In a recent demonstration (above), Maoist Party members march to Caxais Prison where they demanded freedom for imprisoned Maoists and later clashed with the military.

No effective government

The problem is that the country has no effective government. The institutions and the channels of communication and command of the Salazarist régime have been disrupted, but nothing coherent has been put in their place. The Government may announce policy decisions, but it can have little confidence that they will be smoothly carried out, partly because the workers are busily engaged in making their own autonomous revolutions: and they in turn have been encouraged to build ultra-left movements partly by the evangelical preaching of grass-roots revolution by the Armed Forces Movement in what is known as "cultural dynamisation," and partly by the absence of any coherent and authoritative control of policy from the top.

The most obvious symptom of the crisis of authority is the conflict within the Supreme Revolutionary Council between the shifting factions that can be labelled moderate, communist and authoritarian-populist. Few, if any, of the 28 members are equipped by training or experience to handle the problems of government or economic management, and while some of them may have firmly-held political opinions, others are opportunists with only the vaguest ideological baggage. Which is which is somewhat difficult to say: but in the early days of the revolution, Major Melo Antunes, now Foreign Minister, had the reputation of being a left-winger, while Sr. Vasco Gonçalves, now Prime Minister, was thought to be a moderate; to-day Major Antunes is taken to be the white hope of the moderates, while Sr. Gonçalves is regarded as a firm ally of the communists.

But if these divisions within the Supreme Revolutionary Council are the symptom of the crisis of authority, the real cause of it lies in the attempt to synthesise military authority with democratic processes, both within the Armed Forces Movement and in the country at large. With the departure of General António de Spínola, the military have lost, the only charismatic figure who might conceivably have been able to personify this synthesis. And by the time he went even he had been discredited for his alleged attempt to halt or even reverse the revolutionary process. Inside the Armed Forces Movement, it is true, democracy is only partial: the Spinolist coup on March 11 was providentially timed for some of the left-wing military leaders, since it enabled them to disregard the most recent Armed Forces Assembly which had given them rather less than full-hearted support.

On the other hand, one of the by-products of the programme of "cultural dynamisation" in the country at large has been the spread of ultra-left movements in the ranks of the armed forces themselves, with a consequent deterioration of discipline. In principle the Supreme Revolutionary Council has now decided to ban political activities in the barracks, but in practice it must be difficult for a group of military leaders who do not have a clear and agreed idea of the kind of revolution they want to draw a reliable line between discipline and democracy.

The military-democratic conflict is even more striking in the case of the attitude of the Armed Forces Movement towards the civilian political parties. In principle there is a pact between the AFM on the one hand and the parties on the other according to which the AFM will retain ultimate authority for government for the next three to five years, while the parties must confine their debates in the Constituent Assembly to the writing of a new constitution without attempting to interfere in the affairs of government. The pact was imposed on the parties as the AFM's condition for permitting the first free elections in Portugal for over 40 years, and most politicians earnestly declare their intention of sticking to it.

In practice, however, the pact makes little sense, for the constitution must necessarily be a highly political document and it cannot be written without reference to the day-to-day reality of political events in Portugal. The AFM has tried to delimit in advance as far as it can what the broad lines of the constitution should be, but unless the Assembly abdicates its role the detailed drafting of every article of the constitution will represent matter for potential conflict with the AFM. Indeed, the first potential conflict has already emerged in the drafting of the Assembly's rules of the procedure with the demand for a free hour of political debate every day before the start of the formal agenda.

The parameters of any such conflict are obviously dictated by the balance of forces inside the Assembly. Until the elections the Communist Party seemed to be in a position of strength. It had started out with much the best party organisation, its propaganda dominated the press and the media, and it had cultivated close links with some of the leading figures in the Armed Forces Movement. After the elections, however, it suddenly became clear that the Communist-AFM relationship was an alliance not of the strong but of the weak. The Communists won only an eighth of the popular vote compared with the Socialists' figure of well over a third and the more than a quarter gained by the Popular Democratic Party (PPD).

In the intoxication of revolutionary jargon in Portugal today, both the two biggest parties stress how left-wing they are, but on any major issue of principle it seems a forgone conclusion that they will vote together against the Communists. According to an unpublished public opinion poll, popular support for Sr. Mario Soares' Socialist Party has now risen to more than 50 per cent., while support for the Communist Party has allegedly fallen to less than 10 per cent.

It is not surprising, therefore, that the Communists dislike the Constituent Assembly and would like to see it abolished. But it begins to look as though their hope of using the AFM to impose a Communist régime along the most orthodox Stalinist lines is proving increasingly ill-advised—at least in the short run. For the AFM is aware that the euphoria of the early days of the revolution is wearing off, and that more and more people are becoming critical of the Government's incompetence, of the armed forces' arbitrary interference, or of both. Criticism is reinforced by the popular impression that the AFM is working hand-in-glove with the Communists, for the Communist propaganda which pours out from the Press and television looks suspiciously like a mirror image of the fascist propaganda which poured out from the same organs 15 months ago—and is very often written by the same journalists.

The Supreme Revolutionary Council's endorsement of political pluralism and of the Constituent Assembly is thus a setback for the Communists. And when Admiral Vitor Crespo returns from Moçambique with his 12,000 troops (over half of whom are reported to have voted Socialist), he is likely to reinforce the moderate faction in the Supreme Revolutionary Council.

But the joker in the pack is the steady deterioration in the economic situation. The trade deficit so far this year is much worse than it was in 1974, while invisible revenue from tourism and remittances is sharply down and the foreign exchange reserves are running out fast (though the substantial gold reserves have not, apparently, been touched yet). That part of industry which has not been nationalised is suffering from an acute cash crisis, as a result of rising wages and falling sales, and there is the danger of a wave of major bankruptcies, notably in the crisis-stricken textile industry. Unemployment is approaching the 10 per cent. mark, and is expected to rise still further; if the situation in Angola does not improve sharply in the near future, there is likely to be a flood of returning Portuguese settlers who will add to the unemployment problem.

In the other direction, there is reported to have been a significant exodus of middle-class professionals and businessmen; decree law 222B 75 is likely to increase this exodus, since it makes business directors and managers *and their families* personally liable for the financial survival of the companies they run. Nobody knows just how much of the economy has now, theoretically, come under State control since the nationalisation of the banks and insurance companies has brought with it equity holdings in the rest of the economy; but it will clearly not be easy to rationalise the State sector, to find new and competent managers, and to evolve some workable compromise between management efficiency and workers' control.

Democratic socialism

The critical factor is time. Given reasonable economic circumstances, it would not be implausible to suppose that Portugal might stumble towards some form of democratic socialism, even if it appears to be making every mistake in the book on the way. The danger is that democracy may become the victim of economic collapse, and the longer the crisis of authority goes on, the greater is this danger. The alternative scenario is that the AFM, like the Greek colonels, might bow out of a situation which it cannot control and leave the political parties to take charge.

The strength of such a theory is that Mario Soares is the nearest thing to a national political hero in Portugal today; its weakness is the fact that the AFM has consistently given top priority to its own controlling position and, perhaps more important, that the police and the National Republican Guard having been discredited, the only law-and-order forces in the country are provided by CopCon. The Assembly may emerge as an effective parliament, if not immediately then after fresh elections at the end of the year. But there are Socialists who wonder whether they are not playing the same doomed role in the Constituent Assembly as their Russian counterparts played in the Duma in 1917.

MEN AND MATTERS

Bigland takes over at the BIA

Yesterday's coincidence of the British Insurance Association announcing heavy members' underwriting losses on their general business, and at the same time electing Ernest Bigland as chairman, is striking. Of the £115m. lost, mainly in foreign fire and non-motor accident business, the United States produced £44.3m. of it, a nasty 5.9 per cent. of premiums. When you ask Bigland for the reasons behind the growth of Guardian Royal Exchange Group, where he is managing director and vice-chairman, one main reason he gives is that it kept out of any big commitment in North America.

That is partly by chance. When Bigland came to power at what he calls the "old and wealthy" Guardian, he was given the brief to take it from the middle league of the composite insurers into the big league. Guardian had not done much in the U.S. and the same was true of its chosen partner in the bid for growth, Royal Exchange. Having become managing director of the merged group, Bigland kept it that way and is happy he did.

Bigland, now a suitably big, occasionally booming man, went into the Guardian because, though his father and grandfather were Liverpool stockbrokers when the Liverpool market in insurance shares was larger than the London one, there wasn't much broking to do in 1930 when he left school. He speaks with much fervour about the role of the BIA and the need for the insurance industry to speak up for itself.

"No taxation without representation" is the motto for the times, he says, insisting that any direction of institutional funds must allow companies like his "power with responsibility." He is ready to accept that the insurers might have a role to play in aiding companies who for a time cannot get their money in the ordinary market, but not at the expense of infringing the old criteria for the investment of general and life funds.

How far Bigland can get any common action from BIA members on this, or any other subject, must remain doubtful. Like many industry associations where the big and small line up with one vote apiece, there has been a tendency to emerge with a negative consensus, as with its refusal to rescue fellow member Vehicle and General, or its brush-off of Lord O'Brien's plans for the institutional committee.

Having again, with the policyholders' protection issue, left it to Government to impose regulation, the BIA did however speak with a fairly decisive, and largely successful voice, to get the original Bill amended. Bigland sees this as a step forward, a sign of strength perhaps not recognised before by many members.

Other brothers

The Energy Minister's talent for arousing strong feelings has been demonstrated within his own family circle. The Benn Group has produced a centenary booklet to commemorate Sir Ernest Benn, who built up the trade journal publishing house and whose sons and grandsons still run it. Sir Ernest was brother of Lord Stansgate, Anthony Wedgwood Benn's father.

The foreword to the booklet (which contain pictures of a Benn Brothers' function with guest of honour Michael Heseltine) pays tribute to the first Lord Stansgate, whose "career in politics was crowned by his work in the House of Lords. Until very recently his son was the Labour Minister responsible for planning to bring under State control large sections of British industry. There could be no greater contrast than these two differing viewpoints."

There follows a disclaimer that the publishing Benns can do anything to control the views or actions of their relative. Nor is he "in a position to influence the independence of the Benn Journals' editorial views any more than any other politician —and that is exactly nil." Waspish stuff about the man who was once a junior salesman for the business.

Irish wallpaper fight

There is often some nationalist feeling when a British company makes a move in the direction of Ireland, and a touch is detectable as the country's last independent wallpaper manufacturer looks like being swallowed up by a part of Reed International.

The details are, in fact, not that simple. The Irish company is the small but quoted Wallpapers (Kildare). On May 1 Kildare announced an agreed deal whereby it would issue 500,000 Ordinary shares for Walpamur Company (Ireland), a Reed subsidiary, effectively a reverse bid to leave Walpamur with 83.9 per cent. of the enlarged share capital. This was to be reduced to 75 per cent. following the placing of 60,000 shares.

Everything seemed to be proceeding according to plan. However, directors of another Irish company, Curust Holdings (which among other things sells Kildare wallpapers in Germany) decided the terms were far from generous. So a lobbying exercise has got under way to try and block the deal by persuading shareholders to vote against a capital increase.

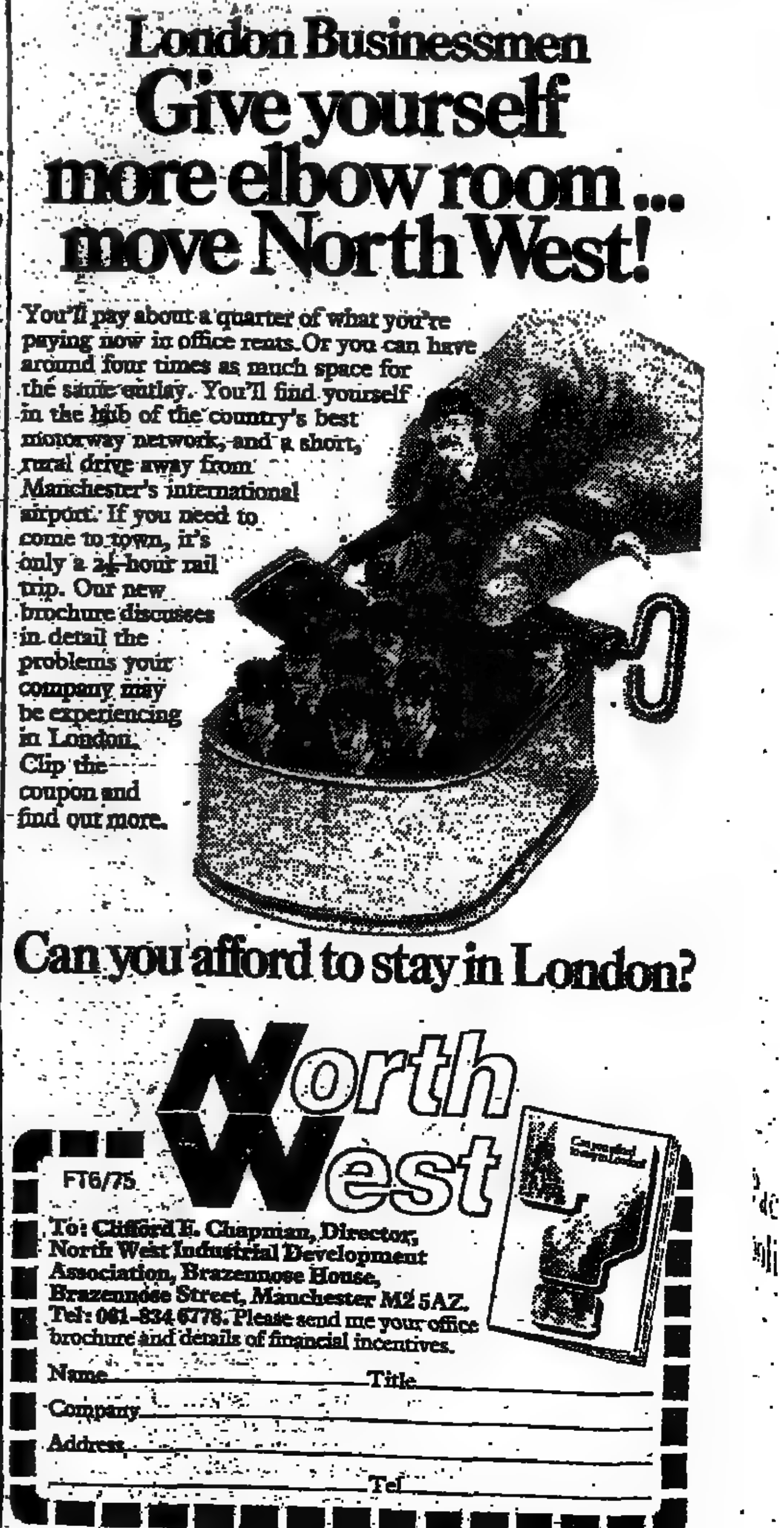
Philip Brennock, Curust's secretary, maintains that his group's opposition has nothing to do with its commercial connections with Kildare (the relevant contracts have some years to run). Rather, he feels insufficient account has been taken of Kildare's factory and land, in the books at a mere £38,000.

He reckons that owners of just 10 per cent. of Kildare's shares have responded to Curust's efforts. "Kildare is an Irish company and a number of shareholders would like it to remain so," says Brennock. Prepare to argue, Reed.

Third degree

A Mr. Jessup of the Pre-School Playgroups Association is a Master of Arts (Cambridge), a Master of Business Administration (Cranfield), and an Associate Member of the British Institute of Management. According to the local government journal *Public Service*, Jessup recently received a letter from abroad addressed to: "Mr. Ma Mba Ambim."

Observer



Two food manufacturers have warned they may go out of business. In his second article on price controls, **Sandy McLachlan** explains why

Softening the bite of food margin control

WITH negotiations soon to begin about the controls over prices and profits which should succeed the existing Price Code when it expires next March, there are signs that manufacturing industry may win important *concessions* from the Department of Prices and Consumer Protection. Controls will not necessarily be relaxed; but they may well take a somewhat different form, and therefore be rather more palatable to industry.

The Price Commission itself has criticised some aspects of the Price Code system, and Mrs. Shirley Williams, the Prices Secretary, has admitted that the *modified* productivity deduction now in operation bears more heavily on companies than the much higher deduction which originally applied. Meanwhile, industrialists have become far more adept at giving detailed *evidence about* the *harm which* controls are doing to their business.

That they are doing so to effect, and that the situation for some companies has become extremely serious, is evidenced by *Mrs. Williams's revelation* this week that two major food companies had warned her that they are in danger of going out of business unless profit margins are increased.

Cash flow

Food manufacturers have *suffered as much as anyone from* the operation of the Code and probably more. Evidence recently prepared by the Food Manufacturers Federation and submitted to the Department of Prices by the Food and Drink Industries Council shows that the profit margins of 26 major food processing companies virtu*ally halved between 1972 and* 1974. During the same period requirements for working capital rose by 54.3 per cent. The net effect of all this was that cash flow switched from being a positive figure during 1971 to a *negative* one of *£70m. in 1973.* Taking 1973 and 1974 together the companies in the survey had a combined cash flow deficit of £172m.

It is the fall away in net profit margins combined with greater working capital needs which produces the cash flow deficit, and this in turn conditions ability to invest. It is interesting therefore, to look at the reasons given by the food manufacturers for the sharp reduction in margins, since their experience highlights problems *felt to a greater or lesser extent* across industry as a whole.

Most of them are shared in part by other sectors: the rapid rise in commodity prices and delays in getting price increases to compensate: the cumulative effect of the productivity deduction exacerbated by the threshold payments system incorporated in the Pay Code; and trading conditions which allowed the food companies only static volume sales during 1974. Things were made worse by the introduction of the three-month rule in May last year, *which meant that companies had* to wait three months between price increase applications and thus added to the delay in recouping rapidly rising costs.

A *further* point made by the food manufacturers is that the safety net provision written into the Stage 3 code was so difficult to interpret that months were wasted before anyone was able to take advantage of *them.*

As with much of manufactur*ing industry, the food processors* took a long time to discover that proof of hardship was needed to *sway the Government* and that solemn protestations of difficulties were not enough. This latest report and its predecessor, however, appear to have convinced officials at the Department of Prices that the food industry does have a genuine case for favourable treatment in the next stage of control.

The *industry's* negotiators faced a difficult decision in tactical terms. Their case to be *exempted from control* altogether was, they felt, strong. However, faced with a hard official line that controls of some sort would have to remain for political reasons, in the forthcoming negotiations they have reluctantly decided to press for new ones which will at least allow them to reach the levels *of profitability permitted under* the existing margin control structure—which they fall well short of at the moment.

This is the sort of dilemma which the whole of manufacturing industry faces. It seems clear that price controls will not *only remain* but that *they* will be as tough in their final effect as the existing set-up

Trevor Humphries

Mrs. Shirley Williams, Secretary for Prices: she revealed this week that two major food companies had warned her that, *without higher profit margins,* they were in danger of going out of business.

Clearance

The distributive trades have been considerably inconvenienced by the two and a half years of price controls, but it is manufacturing industry which *has had to bear the real brunt.* Particularly hard hit have been the big companies which have to pre-notify any proposed price increase to the Price Commission and then wait for clearance before implementing them. The Commission has 28 days to give its answer, but if it has any queries on the application it can *stretch out the process* for a further 14 days, making 42 days in all. Worse, if the Commission finds fault with an application even on technical grounds it can reject it and the company concerned has to start again from *scratch.*

The effects of this on the company sector go a good deal further than the money lost in the period between an application being made and its implementation. The Commission often requires information to be presented in a form quite different from that of normal com*mercial accounting practices:* in simple terms most manufacturers work on the basis of production costs and on-costs or overhead costs, while the Price Code works on principle in terms of total cost and in detail in terms of specified allowable costs when it comes to getting price increases through.

This difference of attitude not only means that a great number of sophisticated companies in *preparing their applications* to the Price Commission, have been penalised for making genuine mistakes, but it also involves a disproportionate amount of senior-managerial time being devoted to dealing with bureaucratic applications. Also, the longer the controls last, the more damaging will be *the change in attitude by* management which has to spend more of its time trying to out-think the Commission rather than competitors.

Indeed, the underlying criticism of the present system of price controls on manufacturing industry is that no attempt to legislate for really detailed control over *the complex corporate* sector has any chance of avoiding uneven incidence, the creation of hardship in certain areas, and a lack of flexibility to meet changing circumstances. As a crisis measure this type of price control may be justified in the short-term, but by the time that statutory authority for the present controls expires next March the Code, in various forms, will have been in force for three years.

There has been considerable debate about just how much of *industry's cash problems can be* blamed on the existence of the Price Code and the Price Commission. Some take the view that rapidly rising raw material prices, coupled with high interest rates and latterly poor trading conditions, *have* been far more important than anything in the Code or the way in which it was implemented.

The other school of thought, which includes many companies affected by the Code, is that the rigorous definition of allowable costs and delays in getting price increases have been important *contributory factors to their* problems.

There is truth on both sides. What is hardly in dispute now, however, is that the present Code—in spite of concessions which have gradually been incorporated—has been overtaken by events. Even if tough price controls are to remain, *therefore, they will have to take* a different form from those currently operating.

Perhaps the best example here is the productivity deduction. Originally conceived as a means of spurring management to recoup part of wage settlements through productivity rather than simply by passing the whole increase on to the final consumer in higher prices, the deduction has been con*siderably modified.* It *started* as a flat rate 50 per cent. and is now on a sliding scale which allows labour intensive businesses to face a deduction of as little as 9 per cent., and with a maximum deduction of 35 per cent.

Industry however claims—and Mrs. Shirley Williams accepts —that in to-day's conditions the modified productivity deduction bears far more heavily on companies than did the original straight 50 per cent deduction. With many wage settlements now in the 25 per cent. to 30 per cent. bracket there is little chance of the productivity deduction being recouped through actual productivity improvements in most industries.

This and other provisions of the Code have rendered margin control largely illusory for large sections of manufacturing industry with companies operating far below their notional margin ceiling.

There are problems for the *Government as well as for in*dustry, and if they are to be resolved successfully it will require the right type of new controls. To most people that means a withdrawal of government agencies from detailed intervention *in the day-to-day* working of industry—even at the expense of tougher net margin ceilings in some areas.

Open secret

Things could well move this way and there are straws in the wind to suggest that they might. *The drafting of successive Price* Codes has been loose and the enforcement of them by the Price Commission strict. It is not easy to blame the Commission for carrying out its statutory duties, but it is an open *secret that the enforce*ment of the Code by the Commission has not always accurately *reflected* the original intentions

The Price Commission will live on after the statutory authority for the existing Code expires in March, and there are already signs that Mrs. Williams is intending to use it more as a much more general watchdog—rather along the lines of the old Prices and *Incomes Board.* Were the Commission to be freed of much of its detailed policing it would have *more* time to devote to a broader view.

It has always been arguable *that net margin control* and price control are a form of double counting: if either is efficient then the other should be unnecessary. Of the two, net margin control—although arbitrary in its original application—*is probably the lesser evil to the* majority of manufacturers. At least they have the freedom to manipulate their pricing structures in order to achieve the most beneficial sales mix to maximise profits—subject, of course, to the net margin constraint on profitability: food companies would be satisfied if they could get back to existing margin ceilings.

Control by margin alone *would help industry* to get back to the disciplines of the market place rather than the disciplines of the Price Code, while the Government could honestly claim that margin control—perhaps tougher in some areas and relaxed *in others*—was ensuring that industry did not get out of hand on its pricing policies. These arguments may be very much the economics of second best, but the best anyone can hope for in the present situation is something of a compromise. There are signs, however, that officials are coming to *accept that the strain of detailed* interventions in pricing policies on industry becomes intolerable when they are maintained too long.

Letters to the Editor

TUC evidence to Plowden

From The National Officer, Electrical Power Engineers' Association

Sir,—Your news story (June 16) about the TUC's evidence to the Plowden Committee on Electricity Supply which drew attention to the differences between the evidence of the unions in the industry and that of the TUC, led Mr. Lea, the *Secretary of the TUC's* Fuel and Power Industries Committee, to reply on June 17. His letter sought to give the impression that the *TUC's* evidence, including its contentious proposals for worker directors on the top tier of a two tier Board, had been "drawn up" by the unions represented on the Fuel and Power Industries Committee. In *fact the TUC's Fuel and Power* Industries Committee had before it a draft prepared by the TUC Office.

In *discussion* of this draft, as the representative of the Electrical Power Engineers' Association at the meeting, I specifically questioned the wisdom of the TUC making these proposals for worker directors, *which if accepted* by the Committee and subsequently by the Government would then be referred to the unions in the industry for their consideration. Since there appeared to be little, if *any*, enthusiasm among the unions in the industry for these proposals it seemed more sensible *for* the TUC not to make them in this form in the first place, and to *concentrate* on those proposals for extending worker participation which had the full support of all the *unions in the industry.* The Committee was, however, told that these proposals were the policy of the General Council following Congress' decision last year and, whatever the attitude of the unions in the industry, should be put forward by the General Council in their evidence to the Plowden Committee. The General Council is, of course, perfectly entitled to determine TUC policy in these matters, but it is disingenuous of the Secretary of the Fuel and *Power Industries Committee* to seek to give the impression that these policies are the policies of the unions represented on that *Committee* rather than of the General Council.

The Secretary of the TUC's Fuel and Power Industries Committee is of course quite correct in stating that those who agreed to give verbal evidence to the Plowden Committee as part of the TUC Delegation were those who had not already appeared before the Plowden Committee to support their own proposals, which were rather different from those made by the TUC with regard to worker directors. *Mr. Lea, like your correspondent* who wrote the original story, is of course free to draw his own conclusions as to the motives behind this.

Simon Petch.
Electrical Power Engineers' Association.
Station House,
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Packaging policy

From Christine Thomas

Sir,—*There seems to be a* growing misconception in the packaging industry about certain aspects of Friends of the Earth's packaging policy. On two recent and unconnected occasions leading members of the glass industry have alleged that FOE are actually supporting the greater use of metal cans by the soft-drink and brewery trade. This is not true and we would like to put the record straight.

As regards the *future* availability of resources glass is certainly the most appropriate material to use since silica and limestone are relatively abundant. Steel-based alloy cans and aluminium cans follow next in order of *preference.* *Although* the energy-use data for the U.K. are incomplete, approximations suggest a pecking order, with re-used glass bottles having the lowest overall energy costs, the steel-based alloy can second, the one-trip bottle third and the all-aluminium can the greatest energy intensiveness. As to ease of recovery and the problems of waste disposal there is little to choose between the various kinds of container.

But in our view to debate the issue on this level misses the essential point. We have always argued that packaging, where *necessary, should be designed so* that the containers can be re-used time and again, or, where this is impossible, for ease of recycling. The point is not to find the cheapest way of creating waste, nor the cleverest way of recovering it; the point is simply not to produce the waste in the first place.

Christine Thomas.
Friends of the Earth,
9, Poland Street, W.1.

Bargaining with a difference

From Mr. W. McKay.

Sir,—In Britain's economic crisis, the majority would now agree that the key problem is the inflationary *effect* of the excessive wage settlements which result from our industrially crippling and socially destructive methods of wage "bargaining." This huge advance in public awareness and understanding provides a new opportunity for radical action.

Depressingly, politicians seem blind to this most important new opportunity. Action is endlessly deferred, the crisis worsens and speculation seems unable to escape from the old and largely discredited ideas of voluntary restraint and wages freeze. The *trade unions* are seen as the enfants terrible who, apparently immune to appeasement, can perhaps be frightened into a short *period of better behaviour.*

Condemnation of trade union behaviour shows lack of understanding. A trade union is a mechanism which must function in the manner determined by its design. A trade union is designed to obtain for its members a maximum share of the available goods and services up to a limit set only by that union's bargaining *strength. As unions* discover that their bargaining strength is even greater than they had previously supposed, so their demands increase. This change is not reversible within the established wage bargaining arrangements (or machinery).

It follows that the mechanism for determining wages must be changed, but in what way? The salient features of the necessary change are:—

Periodically the Government should decide on the size of an acceptable change in the population's total purchasing power. Unless the Government can make and enforce such a decision it cannot manage the national economy.

Neither Government nor employers should have any involvement in deciding the differential allocation of total wages. Elected representatives of wage-earners should be enfranchised in that they would form a national council which would determine how the Government's permitted total change in purchasing power would be distributed among the represented wage-earning *groups.*

These proposed arrangements should be compared with the present disruptive activities of individual unions which deny government the right to manage the economy. The whole concept and its *practicability* have been convincingly analysed by Lord Wilfred Brown in his book "The Earnings Conflict." Much of the procedure involved has been successfully applied at factory level.

Returning to the present national crisis—prolonged action avoidance by the Government has permitted such a deterioration that only extreme and immediate *action is relevant. Jack Jones'* "flat-rate" proposal would be the least difficult to apply. This type of wage freeze can only operate for a relatively short period and will not of itself provide long-term benefit. It is suggested that the Jones type freeze should be declared to apply until such time as a new and socially beneficial system of wage determination (such as that proposed by Lord Brown) has been arranged.

W. McKay.
11, Flintgrove,
Bracknell, Berks.

Valuation questions

From Mr. E. Cookson.

Sir,—Almost a year ago to the day your article "Need for Tighter Valuation Rules" prompted me to comment. The edition of June 23 has stimu*lated me to express* further views. The sting is in the tail of Peter Riddell's article but few experienced practising valuers would deny the need for constant watchfulness in such a volatile world as "property."

To say, as Mr. Greenwell is reported as saying, that "the valuation methods used by surveyors are often based on assumptions that are implicit are unquantified and tend to ignore movements in other capital markets" is both presumptuous and wrong. A valuer is an interpreter of market trends and conditions, not a mathematician nor a soothsayer.

I suggest that what went wrong last year in the property world was greed on the part of some, over-optimism on the part of others, and sheer *incompetence* on the part of a few. A season of hard-headed realism has now replaced an era of fantasy.

Articles which tend to knock the profession, if out of balance, can do more harm than good. Surveyors have served the Community for well over 100 years through changing times. Valua*tion practice* is constantly evolving but the times of 1972-74 were exceptional. Was Mr Greenwell unaware or asleep at the time?

E. Cookson.
"High Trees."
463, Green Lane,
Coventry.

Retail prices index

From Mr. A. von Cuylenburg.

Sir,—Mr. J. Turner (June 23) says it is practically impossible to discover anyone who has even the faintest idea as to how the rpi is compiled and how it is weighted. He is probably correct.

The 1975 rpi however, is largely based on the recommendations of the Retail Prices Index Advisory Committee and the March 1975 edition of the DoE Gazette carried an article explaining the households covered and the weighting.

There are two points of general and perhaps significant, interest. First, the index households covered are all households other than (a) those the head of which had a recorded gross income of at least £85 a week in the second half of 1973, *£90 a week in the first half of* 1974 and (b) pensioner households. Secondly, all the weights are itemised out over nearly 100 items and the four items with the highest individual weighting are (1) purchase of motor vehicles, (2) beer, (3) petrol and oil, (4) cigarettes. Admittedly, these are individual items and food as a group (32 items) *accounts for* a quarter of the total weighting. Even so the weighting of cars, beer and cigarettes exceeds the total of housing, fuel and light.

No one seeks to deny wage and salary earners (£5,000 p.a. or *less) their pleasures,* but to me at least, the make-up of the rpi gives a new dimension to the oft-repeated assertion by Trade Union leaders when negotiating wage awards, that their members standard of living must be maintained.

A. van Cuylenburg.
East House, Whalton,
Nr. Morpeth, Northumberland.

Electoral reform

From Mr. J. Weiner.

Sir,—As Mr. David Watt suggests (June 20) it must be right to approach electoral reform with circumspection but it is hard to agree that our electoral arrangements in recent years *have resulted in* "strong Government of acknowledged legitimacy and reasonable duration," to use his own critical criterion. Has not the opposite been the case?

Five general elections within ten years of 1964, topped by a referendum, are not the hallmark of durability or stability. Governments elected during the last 30 years by decreasing minorities of a diminishing share of the eligible electorate cannot be said to carry the full stamp *of* legitimacy. Strong Governments do not normally submit to extra-parliamentary forces which defy them or bring them down or *force them to resort to* an unconstitutional *divertissement* such as the referendum. Given these facts how can your Political Editor claim that our *present* electoral arrangements cannot be "seriously faulted"?

Electoral reform has been on the political agenda for over 50 years. All that the advocates of proportional representation are attempting to achieve, based on the experience of the last 30 years and the results of the referendum, is a system which will provide representative in place of unrepresentative Government. If we cannot do better than devise an electoral *system, such as the present,* which disenfranchises 60 per cent of the total vote we do not deserve, and are unlikely, to remain a parliamentary democracy. If we choose to ignore the referendum result, which showed that a large majority of the electorate throughout the country consists of moderates, nothing will prevent one or other minority group from taking power.

If our parliamentary demo*cracy is to survive,* the moderate majority must be given the means to elect representative Governments. Without such means no Government will have the will or the authority to harness the nation for a united effort, comparable to that displayed in 1940, to overcome our political, social, economic and financial problems either now or *in the future.*

John M. Weiner.
Spencers Green, Tring, Herts.

To-day's Events

GENERAL

TUC General Council considers methods of reducing level of wage settlements, Congress House, London.

Mozambique gains full independence.

Mr. David Ennals, Minister of State at Foreign Office, has talks on Rhodesia with South African leaders.

Mrs. Margaret Thatcher, leader of the Opposition, meets Mr. George Mavros, Opposition leader from Greece, House of *Commons.*

Post Office Users' National Council gives evidence on letter post service to Parliamentary Committee on Nationalised Industries, House of Commons.

Duke of Gloucester opens *Chester Heritage Centre,* St. Michael's Church, Gloucester.

Confederation of Shipbuilding and Engineering Unions conference continues, Hastings.

Royal Norfolk Agricultural Show begins, Showground, New Costessey, *Norfolk.*

PARLIAMENTARY BUSINESS

House of Commons: Scottish Development Agency (No. 2) Bill, second reading: Diseases of Animals Bill and Industrial and Provident Societies Bill, remaining stages.

House of Lords: Debate on *voluntary service in* the community and on homelessness.

SPORT

Cricket: Gillette Cup first round.

Tennis: Lawn Tennis Championships continue, Wimbledon.

COMPANY RESULTS

Baker Perkins Holdings (full year).

BPB Industries (full year).

London and Overseas Freighters (full year).

MK Electric Holdings (full year).

Plessey (full year).

COMPANY MEETINGS

British Home Stores, Marlebone House, NW, 11.30.

FPA Construction, Sheffield, 12.

Fairbairn Lawson, Leeds, 12.15.

First Finsbury Trust, Westbury Hotel, W, 11.45.

Hanger Investments, Birmingham, 11.

Harcros Investment Trust, 1, Great Tower Street, EC, 11.30.

Panto (P.), *Eastbourne,* 12.

Porvair, King's Lynn, 11.35.

Seccombe Marshall and Campion, 7, Birchin Lane, EC, 3.30.

Swan Hunter, Newcastle-upon-Tyne, 3.

Tootal, Manchester, 12.

COMPANY NEWS + COMMENT

IC Gas up by 17.6% to over £11m.

GROUP PRE-TAX profit of the **Imperial Continental Gas Association** has risen by 17.6 per cent. to £11.04m. for the year to March 31, 1975, with stated earnings per £1 stock unit advancing from 12.67p, adjusted for a scrip issue, to 15.96p.

A final dividend of 4.0511p per unit lifts the net total from equal to 6.1841p to the maximum permitted 6.7311p.

In accordance with official dispensation he Belgian subsidiaries are not consolidated. Income from these was £4.63m. (£3.33m.). The group proportion of unconsolidated subsidiaries adjusted retentions was £3.54m. (£2.01m.) representing a further 10.35p per stock unit (5.89p after adjusting for the scrip issue).

The Calor Group turnover for the year increased by 36.1 per cent. to £77.45m. Its profit before tax and extraordinary profit was £3.8m. (£4.13m.) after charging £4.7m. (£3.89m.) for depreciation. The tax charge was £1.78m. (£2.19m.).

Century Power and Light turnover increased by 21.3 per cent. to £1.38m. Its profit before tax was £592,000 (£489,000) after £326,000 (£345,000) depreciation. The tax charge was £308,000 (£254,000).

	1974-75 £000	1973-74 £000
Turnover	75,941	55,096
Trading profit	7,243	6,399
Invest income	6,236	4,547
Net interest charges	2,111	1,557
Profit	11,039	9,389
Tax	5,450	4,970
Minority	149	95
Attributable	5,431	4,324
Dividends	2,298	2,111
Retained	3,133	2,213

● comment

One of the most striking aspects of the IC Gas figures is the better-than-expected growth from the Belgian operations. The 37 per cent. increase in investment income virtually all stems from increases there, although admittedly 10 points of it is due to the upward movement of the Belgian franc against sterling. Meanwhile, at home Calor Gas and Century Power have been no more than marking time, respectively reflecting poor weather conditions and the Hewett field reaching optimum production. For this year the Belgian operations should again move ahead in franc terms, while the movement in sterling would indicate a much better performance for the consolidated figures. Any improvement in the U.K. from Century will depend on how quickly the Maureen and Andrew fields commence production. Still, overall prospects look promising and the shares will appeal to those aiming at a wide spread of interests in the energy field, although a yield of only 2.2 per cent. at 330p may deter some.

INDEX TO COMPANY HIGHLIGHTS

Company	Page	Col.	Company	Page	Col.
Allen (Edgar)	18	6	Hill Samuel	19	5
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Anglia Television	18	5	I.C. Gas	18	1
Bassett (Geo.)	18	4	I.D.V.	20	7
BET Omnibus	18	8	Laurence Scott	20	3
Bradford Property	21	3	Metal Box	20	6
Bright (John)	20	8	Mowlem (John)	20	1
Crellon	18	5	New Throgmorton	21	1
Dawson International	19	4	Peerage Birmingham	20	4
Eastern Produce	20	5	Permali	21	2
Electrocomponents	21	4	Queens Moat Houses	20	2
Evans of Leeds	21	4	S. & U. Stores	18	5
G.R.A. Property	18	7	Tecalemit	21	6
Highgate & Job	18	3	Walmsley (Bury)	21	5

Highgate and Job

Marine oil refiners and protein meal producers, Highgate and Job Group reports turnover of £7.3m. against £9.42m. and a fall in taxable profits from £559,326 to £250,781 for the year to March 31, 1975.

At halfway when profits were down from £302,658 to £185,100, the directors expected the levels of profitability to be at least maintained in the second half.

Full year earnings are shown to be down from 29.1p to 12.4p per 50p share. The final dividend is 5.2p making 9.22p against 9.5957p net or 14p (same) gross.

	1974-75 £	1973-74 £
Turnover	7,295,990	9,416,044
Profit	260,781	559,326
Taxation	146,415	300,659
Net profit	114,366	258,667
Extraordinary items	—	30,841

Bassett's strong recovery

FOLLOWING THE indication of a much better second half, confectioners, etc., Geo. Bassett Holdings reports a profit of £1.37m. for that period, against £912,000. For the full year ended March 31, 1975, however, the total is down from £2.15m. to £1.62m.

U.K. manufacturing profits made a strong recovery in the second half, with a 30 per cent. increase in profits and a 33 per cent. rise in sales. Exports from the U.K. were 44 per cent. higher for the year at £4.78m.

Dutch and Australian subsidiaries returned improved profits, while the wholesale subsidiary, Drakes, produced marginally higher profits at £402,000 (£391,000).

Despite a 64 per cent. advance in raw material costs, tight control kept the increase in borrowings down to £0.5m.

The final dividend is 3.4125p to raise the net total from 3.877p to 4.2165p. Earnings are shown at 6.74p (8.64p) before extraordinary items and 7.38p (5.87p) after.

	1974-75 £000	1973-74 £000
Sales	52,902	43,173
Confect manufacture	26,092	20,892
Tobacco distribution	16,956	14,992
Confect., etc., distrib.	9,344	7,299
Trading profit	2,093	2,323
Confect. manufacture	1,691	1,932
Tobacco	—	—
Confect. distrib.	402	391
Net interest	380	[illegible]
Profit before tax	1,623	2,152
Taxation	807	1,106
Extra-ord. credits	77	*534

* Debits.

● comment

Three price increases since August is the story behind the second half recovery at Geo. Bassett; a 50 per cent. pre-tax gain leaves the overall shortfall at 23 per cent. Volume, however, is still well down and it is doubtful whether the present drop in sugar prices will restore the balance. In value terms, Bassett is so far some 30 per cent. ahead so margins are the key factor to earnings recovery in 1975-76. Borrowing at £2.9m. is well below the mid-term peak level while a reduction in the capital expenditure programme to about half the cash flow should further reduce the balance. That obviously will be some help but a 11½ per cent. yield at 60p underlines the uncertainty.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Abbey Panels ....int.	1.3	—	1.34	—	2.68
Edgar Allen and Co.	2.26	—	1.66	3.46	2.8
Allied Breweries ......int.	1.015	Sept. 26	0.93	—	3.0
Anglia Television ......int.	2.09	Aug. 11	2.09	—	6.24
Ashdown Investment	0.95(a)	Aug. 5	0.88	—	2.93
Geo. Bassett	3.41	Aug. 13	3.05	4.21	3.87
Bradford Prop.	2.57	Aug. 1	2.34	5.11	4.72
Crellon Holdings	1.68	—	1.54	2.68	2.47
Dawson International ...	1.74	Oct. 1	1.74	2.79	2.79
Eastern Produce	Nil	—	1.44	Nil.	4.56
Electrocomponents	2.11	—	1.93	3.76	3.46
Evans of Leeds	2.82	—	1.29	3.87	3.56
GRA Property	Nil	—	0.77	0.37	1.12
Highgate and Job	5.2	July 31	4.56	9.22	9.6
I. C. Gas	4.05	Aug. 15	4.09*	6.73	6.18*
Leigh Interests	0.43	Aug. 6	0.39	0.83	0.75
Permali	0.47	Sept. 1	0.46	0.81	0.74
Queens Moat	0.25	Aug. 15	0.25	0.53	0.53
Russel Bros.	2.41	July 30	2.20	3.54	3.25
S and U Stores	0.24	—	0.25	0.83	0.86
Tecalemit	1.95	—	2.01	2.96	3.06
Walmsley (Bury) ......int.	Nil	—	3.5	—	4.5
Wharf Mill Furnishers ...	0.67	Aug. 4	0.6	1.15	1.09

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) To reduce disparity, same net final—2.05p—indicated.

Midway dip at Anglia Television

DESPITE A RISE in turnover from £3.87m. to £4.03m., taxable profits of Anglia Television Group, slipped from £593.816 to £549.561 in the six months to April 30, 1975. Total for the year to October 31, 1974, was £1.29m.

The directors say that turnover was maintained by an increase in programme sales both in the U.K. and overseas.

First-half earnings are shown to be down from 6.03p to 5.88p before an extra-ordinary credit of £114,974 and after minority interests the net interim dividend is held at 2.08373p—last year's final was 4.15p.

	Six months 1974-75 £	Six months 1973-74 £
Turnover	4,023,904	3,878,348
Profit before tax	549,561	593,816
Taxation	298 400	324 100
Extraord. credit*	114,974	—
Minority holders	4,154	4,062
Leaving	373,931	266,654
Dividend	141,711	137,808

* Sale of 20 per cent. of holding in Hong Kong TV Broadcasts net of tax.

● comment

Total independent television advertising revenue for the six months to April increased by something like 12 per cent., against the 4 per cent. rise in turnover shown by Anglia TV. So the loss of the Belmont transmitter last July to Trident has caused Anglia's advertising revenues to lag behind the bulk of the sector. Nevertheless, the cost savings involved must be balanced against the loss of revenue, and overall this year Anglia is hoping that the effect on profits will be only minimal. With interim profits only 7½ per cent. lower, costs are being held quite effectively, but whether this hold can be maintained over the full year is a moot point, although the change in the levy base does not seem to be as cutting as first feared, mainly because of Anglia's large overseas sales content from the Survival programme. Anyhow, it may be hard to match last year's £1.3m. pre-tax, but a yield of 15.3 per cent. (twice covered on historic earnings) at 64p may entice income seeking investors.

£0.16m. drop at S. & U. Stores

ALTHOUGH profits of S. and U. Stores were "disappointing" in the year ended January 31, 1975—down from £413,573 to £250,595—there was an improvement in the second half.

And this would have been greater, says chairman Mr. Clifford Coombs, but for continuing losses in mail order, a problem which is being given "top priority."

He reports that the cost-cutting exercise has begun to bite, particularly since the year-end. Results from other parts of the group have reflected progress. The retailing side of S. and U. and the manufacturing end of Swallow Raincoats have performed particularly well.

The final dividend is 0.24875p for a 0.83p (0.863p) net total—unchanged at the gross level.

	1974-75 £	1973-74 £
Turnover	15,941,463	15,725,464
Profit before tax	250,595	413,573
U.K. tax	*40,000	181,500
Net profit	210,595	232,073
Pref. dividends	8,400	8,406
Ordinary and Profd.	†113,958	124,997

* After reliefs. † After £37,647 (£29,778) waivers on Ordinary.

Crellon just stays ahead

Despite heavier interest, Crellon Holdings, the distributors of industrial electrical equipment, electronic components and plumbing materials, produced a small rise in profit from £377,000 to £389,000—to the year ended April 30, 1975.

The final dividend is 1.68p to raise the total from 2.472p to 2.684p net.

The company has reached an advanced stage in negotiations for the acquisition of GDS (Sales). If concluded, the consideration will comprise Crellon shares and unsecured convertible loan stock in exchange for the share capital and debentures of GDS.

	1974-75 £000	1973-74 £000
Sales	14,894	12,312
Trading profit	705	587
Interest paid	316	210
Profit before tax	389	322
Taxation	*219	209
Net profit	170	188
Extra-ord. profit	12	—
Attributable	182	188
Dividend	81	74
Retained	101	96

* There is an additional deferred charge of £21 000 in respect of stock relief for prior years.

Progress for Edgar Allen

IN THE YEAR to March 29, 1975, turnover of steelmakers and engineers Edgar Allen and Co., rose from £18.32m. to £25.74m. and taxable profits from £1.57m. to £2.15m.

At mid-way, reporting an increase from £815,000 to £877,000, the directors thought that further progress would be made in the second half.

Stated earnings advanced from 8.9p to 11.1p per 25p share and the dividend is lifted from 2.8p to 3.4587p net with a final of 2.2387p.

An analysis of group turnover and contribution to group profits shows (£000's omitted): engineering £12,039 (£8,709) and £716 (£623), steel, foundry and forging £15,880 (£11,307) and £1,563 (£1,086) and overseas subsidiary £496 (£342) and £35 (£62). Inter-company sales were £2,079 (£2,042). The Rolls-Royce recovery added £4 (£40) to profits. Debenture interest took £67 (same) and holding company expenses £156 (£124).

Balfour Darwins figures for the 12 days of acquisition are not included and Edgar Allen shares issued have not been included in calculations of earnings.

The Chancellor's decision to continue stock relief for corporation tax purposes and the tax losses available to carry forward in Balfour Darwins mean the enlarged group will not be liable to pay U.K. corporation tax other than ACT, during the accounting year to March 27, 1976.

The directors say the liquidity position of the group has improved by £1.13m. during the second half compared with a deterioration of £817,000 in the first, resulting in a positive cash flow for the full year of £313.000.

The overall improvement has been achieved after maintaining capital spending during the year of approximately £730,000. Fixed assets with a capital value of £449,000 have also been acquired on leasing contracts.

In order to complete the accounting information relating to Balfour Darwins required for inclusion in this year's annual report, the directors have decided to defer the date of the annual general meeting by one month. The report and accounts will now be posted on August 14, and the AGM held at Sheffield on September 8, at 2.30 p.m.

A resolution will be put to the AGM to change the name of the company to Edgar Allen, Balfour.

On prospects, the directors tell members that the acquisition of Balfour Darwins has proceeded smoothly and reorganisation of the U.K. and the substantial overseas subsidiaries is on course, but the full benefit to group profitability will not be apparent until 1976-77.

Taking the enlarged group as a whole, record order books exist in most subsidiaries and a degree of optimism for the future is permissible. Nevertheless, any further significant downturn in the U.K. economy must affect some parts of the group but the substantial overseas subsidiaries are "a major source of strength."

● comment

A strong performance from the steel foundry and forging division is the main feature of Edgar Allen's 1974-75 performance—profits up 37 per cent. on roughly maintained margins. However, the main market interest will now centre on just how well the combined group can perform following the acquisition of Balfour Darwins. The recovery which BD staged in the year to January 1975, turning round from a loss of £128,000 to a pre-tax profit of £1.26m., has now been followed by a downturn and the first full contribution from here in 1975-76 seems unlikely to be very significant. The original group has also seen a fall-off in activity in special steels in the current year so far and although its engineering activities are still enjoying a steady level of business there seems little chance of any significant overall growth in the immediate future. This will probably have to wait at least until 1976-77 when the restructuring of BD should be completed. The shares at 48p are yielding 11.6 per cent.

ISSUE NEWS

Property Holding £2.3m. rights

Property Holding and Investment Trust proposes to make a rights issue of 9 per cent. Convertible Unsecured Loan Stock 1990-95 on the basis of £1 of stock for every five Ordinary shares, at par. Net proceeds are estimated at £2,328,550.

The new stock will be convertible into Ordinary shares from 1978 to 1990 on the basis of 40 shares for every £100 of stock.

The directors are confident in the long term trend for property values and therefore willing to take advantage of such investment opportunities as may arise in the property market. In the circumstances they felt it prudent to raise additional long term finance.

The issue was underwritten by Kleinwort Benson. The AGM is on July 22 at 12.15.

SHORT TERM LOCAL LOANS

Arrangements have been completed for the placing of the following local authority loans.

City of Glasgow (£2m.), Bolton Metropolitan Borough Council (£1m.). Hartlepool Borough Council (£½m.), Borough of Poole (£½m.), Stafford Borough Council (£½m.), Borough of Sunderland (£1m.). Reigate and Banstead District Council (£¾m.), Castle Point District Council (£½m.). Borough of Scunthorpe (£½m.). North West Leicestershire District Council (£½m), Bradford Metropolitan District Council (£½m.), City of Manchester (£1½m.), Royal Borough of Windsor and Maidenhead (£½m.), St. Helen's Metropolitan Borough Council (£½m.), Shepway District Council (£½m.), City of Kingston Upon Hull (£1m.) and Tendring District Council are all issuing 11¾ per cent. Bonds, due June 30, 1976 at 99⅞.

S. Leboff rights

S. Leboff (Fobel) announces that a rights issue is to be made to raise about £675.000. The terms are one new Ordinary 10p share for every six shares at 28p per share.

Demand for the products of the company's do-it-yourself division and the consequent growth in turnover of this division during the first five months of 1975 together with an expected satisfactory contribution to profits from the electrical division leads the directors to feel that good results will be achieved in the current year.

The directors have obtained the consent of the Treasury to increase the total net dividend payable in respect of the current year to a maximum of 1.47875p net per share which they expect to declare on the ordinary share capital as increased by the rights issue.

Evans and Leeds, Page 21;
Metal Box, Page 20

Only £0.11m. from GRA: no final

PRINCIPALLY BECAUSE of the inability to sell properties in the unfavourable conditions and so reduce interest charges, and the severe downturn in the housebuilding and construction industries, profits of GRA Property Trust have slumped from £1.53m. to £111,000 in 1974.

And to conserve cash resources there will not be a final dividend: the interim of 0.3769p net, therefore, compares with the 1973 total of 1.12p.

However, it is the directors' intention to restore distributions by paying an interim for the current year when progress has been made with suitable disposals.

Until the future becomes more clear, the directors will concentrate on the reorganised greyhound racing activities, betting and leisure interests and housebuilding and construction.

They are following a policy that will reduce borrowings and lighten the interest burden, which should improve profitability. Negotiations are on for the sale of certain property assets; no new property developments will be started in the foreseeable future unless special circumstances suggest that it would be advantageous to do so; developments in construction will be completed and, where appropriate, sold.

In sum, the directors remain confident that acceptable levels of profitability can be restored although it is hazardous to forecast over the short term.

The results for 1974 reflect nine months of J. Coral Holdings. Attributable profits were £780.000 against which there was interest of £525,000 on the purchase consideration of 26.2 per cent.

	1974 £000	1973 £000
Turnover	14,590	13,958
Trading profit	*2,426	2,609
Racing, other leisure	1,041	1,001
Attributable J. Coral	780	—
Property, car sales	690	1,218
Sale building land	52	285
Loss Stadia closed	87	198
Interest payable net	1,820	1,074
J. Coral interest	525	—
Profit before tax	111	1,529
Taxation	734	736
ACT written off	156	—
Associates	469	98
Other	109	667
Minority	23	35
Attributable loss	646	†799
Developmt write down	79	—
From capital reserve	‡475	367
Dividend	119	354
C/f decrease	369	§721

* Includes £864,000 (£218,000) associates. † Profit. ‡ Equivalent to net interest payable on development property. § Increase.

Surplus on disposal of properties £184,000 transferred to capital reserve.

The book value of selected properties have been written down resulting in a total reduction in group's portfolio of £79,000. However, difficulties exist regarding the valuation of certain residential building land having a book value of £1.2m. and it is not possible to assess whether the assets could be realised at book value in the normal course of business.

Setback for BET Omnibus

TAXABLE profit of BET Omnibus Services more than halved from £6.65m. to £3.19m. for all the year ended March 31, 1975.

At midway when reporting a fall from £1.55m. to £872,000 the directors forecast that the second half fall would be "considerably" less than that of the first.

They now say that the retrogression in profit continued for the remainder of the year due to a combination of factors adversely affecting the Murphy Bros. Group's main activities of opencast coal mining and civil engineering. The factors were the national miners' strike early in 1974; inflation which made it necessary to make further substantial increases in the provisions for the restoration of a number of coal sites where coaling is or will be shortly completed; and losses arising from increases in costs on fixed price civil engineering contracts.

In addition, Murphy Bros' acquisition of an interest in a West German partnership in 197 was followed by a downturn in the economy of that country which resulted in an acute shortage of road building work on which the partnership depends.

Earnings per 50p share are given at 16.31p (40.81p) before extraordinary items and at 17.45p (44.45p) after the items. The dividend absorbs £1.53m. (£1.35m.).

The company is a member of the BET group.

	1974-75 £	1973-74 £
Turnover	26,308,084	21,363,273
Trading profit	38,190	2,896,979
Share of associate	3,679,675	3,879,779
Making	3,717,865	6,776,678
Interest	523,488	131,538
Profit before tax	3,194,347	6,645,140
Tax	1,732,300	2,888,440
Profit after tax	1,462,047	3,756,700
Extraordinary items	192,731	322,371
Preference dividend	84,000	84,000
Ordinary dividend	1,530,000	1,350,000

King&Shaxson
Limited
52 Cornhill EC3 3PD

Gilt Edged Portfolio Management Service Index 24.6.75

Portfolio I	Income	Offer	90.28
		Bid	89.75
Portfolio II	Capital	Offer	108.77
		Bid	106.14

Sir Kenneth Keith

Philip Hill Investment Trust Limited

The Annual General Meeting of Philip Hill Investment Trust Limited will be held on 17th July, in London. The following is the circulated statement of the Chairman, Sir Kenneth Keith:

The fact that the Financial Times All-Share Index was at the same level at 31st March 1975 as it had been a year earlier disguises a year of major fluctuations in stock markets, in interest rates and, in some cases, the value of one currency against another.

Revenue Gross revenue has increased from £4,861,000 to £5,383,000, and net revenue from £2,166,000 to £2,326,000. Earnings per share have advanced from 4.81p to 5.17p.

The Directors recommend the payment of a final dividend of 3p per share which, together with the interim dividend of 2p already paid, makes a total distribution for the year of 5p per share against 4.4p last year.

Investments After deducting prior charges at par, the net asset value of the Company's ordinary shares fell from 138½p per share at 31st March 1974 to 127p per share at 31st March 1975, or from 141½p to 130¾p allowing for full conversion of the Loan Stock. Performance for the year ended 31st March last would have been improved had it not been for the cost of our dollar loans which I refer to in more detail below and also for our Burmah Oil holding, which was sold towards the end of the year. It so happened that some of our larger holdings had not fully recovered in line with the Index by the year-end. For example, one of our two largest holdings had under-performed the Index at 31st March 1975 but had risen by 50 per cent. in value by 31st May.

At 31st May 1975, an unaudited valuation showed a net asset value of 160½p per share allowing for conversion of the Loan Stock.

During the year, the Company bought on favourable terms and subsequently cancelled £560,000 of its own Convertible Loan Stock.

Our twenty-five largest investments by value in the equity and convertible stocks of companies in which we were invested at 31st March 1975 were—

Holding	*Market value* £
Hill Samuel Group Limited	7,750,831
Beecham Group Limited	6,480,000
Land Securities Investment Trust Limited	1,631,863
Shell Transport & Trading Co. Limited	1,181,250
General Electric Co. Limited	1,181,249
Eagle Star Insurance Co. Limited	1,094,400
Bowater Corporation Limited	1,070,270
Prudential Assurance Co. Limited	1,015,875
Bass Charrington Limited	830,000
Sears Holdings Limited	784,750
Imperial Continental Gas Association	779,124
Imperial Chemical Industries, Limited	752,500
UDS Group Limited	747,999
Whitbread & Co. Limited	742,000
Drayton Consolidated Trust Limited	670,824
MEPC Limited	643,875
Standard & Chartered Banking Group Limited	570,000
City and International Trust Limited	568,514
General Consolidated Investment Trust Limited	566,707
Consolidated Gold Fields Limited	531,050
Ocean Transport and Trading Limited	516,088
General and Commercial Investment Trust, Limited	511,648
Amax Inc.	502,052
London & Overseas Freighters Limited	498,993
Australia and New Zealand Banking Group Limited	489,645
	£32,111,507

The above holdings accounted for 46 per cent. of the investments shown in the Balance Sheet at 31st March 1975.

The investment classification included with the Accounts shows that 77.67 per cent. of the portfolio was invested in the United Kingdom, including short-term gilt-edged investments, at 31st March 1975 as against 68.78 per cent. at 31st March 1974. The percentage is somewhat higher than that of a year ago due primarily to the part repayment of foreign currency loans. However, I should again like to point out that many of the companies classified under 'United Kingdom' have substantial interests and assets outside the country.

During the year we invested some £2,650,000 in short-term British Government Stocks.

The cash offer for Australian Estates Co. Limited by CSR Limited which realised the Company £1,115,000 after the year-end is included in 'Debtors' in the Balance Sheet at 31st March 1975.

Foreign Currency Loans During the year, we reduced our foreign currency loans from U.S. $27½ million to U.S. $15 million and, at the same time, made good the shortfall on the remaining loans, partially by the purchase of investment dollars but also by the transfer of stocks from the premium portfolio. Since that time, the value of the dollar loan portfolios has shown a surplus over the loans.

As long as any surplus is maintained and as all borrowings are in Euro-dollars, the Company is protected should the value of the pound sterling fall as compared to that of the dollar. Current policy is to maintain our existing borrowings at the reduced level of U.S. $15 million.

Director Sir John L. Gilmour, who has served on the Board since 1965 and retires by rotation this year, has decided not to seek re-election. The Board wish to thank Sir John for his wise counsel and assistance over many years.

The Current Year As is widely recognised, the United Kingdom has made a much less determined effort to curb inflation than any of our competitors. Consequently, it continues here unabated and indeed increases, whereas elsewhere we see it being brought under control. Now that the Referendum is out of the way, and we have so wisely and so decisively opted to remain in Europe, there is no excuse for lack of resolution. It is no good saying we must rely on the Social Contract—which clearly has not worked. If we fail to act, we will suffer a major economic crisis. Our exports will be priced out of world markets, unemployment will rise very substantially and sterling will weaken still further.

We have deemed it wise to retain cash balances at similar levels to those at the year-end, in the belief that the current flow of major company financing will continue.

So far as the United States is concerned, its economy appears to be about to level off and I would hazard a guess that it will begin to turn up towards the end of this year and improve noticeably early in 1976—hence our policy of maintaining current levels of Euro-dollar borrowing.

Forecasting is always difficult and never more so than today, but I am reasonably confident that the new increased rate of dividend can at least be maintained.

Copies of the accounts

can be obtained from the Company at

8 Waterloo Place, London SW1Y 4AY.

House of Fraser

LIMITED

FIVE YEAR PROGRESS

Years ended January	1971 £000	1972 £000	1973 £000	1974 £000	1975 £000
Total Turnover	140,183	161,523	206,717	259,035	320,653
Profit before Taxation	7,289	10,656	18,442	20,518	19,584
Taxation on Profit	2,567	3,493	6,285	9,261	8,365
Taxation on Dividends	1,429	1,768	678		
	3,996	5,261	6,963		
Net Profit available to Members	3,247	5,329	11,375	11,135	11,019
Dividends paid to Members	2,167	2,794	3,385	4,017	4,450
Profit Retained	1,324	2,545	7,956	7,118	6,569
Depreciation	922	1,086	1,361	2,189	2,905
	2,246	3,631	9,317	9,307	9,474

The results of Associated Companies have been included since 1972

The Chairman, Sir Hugh Fraser, Bt. in his Statement with the Accounts for the year to 25th January, 1975, comments:

In this most difficult year we produced a further increase of turnover to add 23.8% to last year's 25.31%. The addition contains of course a high factor of inflation. All in all, we believe that the real growth has been in the area of 6%.

We are achieving benefit from much of the additional selling space detailed in last year's Report and now producing its own contribution to sales.

So far as this current year is concerned, it would be foolish to pretend that it is easy. It is always the latter part of the year which is of the greatest importance to us, and I confidently expect that we can achieve our budgeted target of a further increase in sales in the neighbourhood of 25%. The profit from those sales continues to be adversely affected by rising costs, but these costs are being successfully contained.

At the Annual General Meeting held in Glasgow on 24th June, the Report and Accounts were approved.

MINING NEWS

Mr. Schumann looks for a higher gold price

BY LESLIE PARKER, MINING EDITOR

POLITICAL events, currency uncertainties, changing world financial conditions, the continuing international debate on the role of gold in the monetary system, together with growing investment demand fired by the inflationary syndrome, will force the gold price upwards.

Mr. A. W. S. Schumann

This opinion was expressed by the president, General Mining's Mr. A. W. S. Schumann, at yesterday's annual meeting in Johannesburg of the Chamber of Mines of South Africa. He also considered that in the year ahead the major trading nations would *move into a new period of* reflation and growth bringing fresh stimulus to the mineral *industries. It was unlikely*, however, that the turning point would be reached before well into 1976.

Cost inflation

He expected the decline in the industrial usage of gold to level out and posibly give way in the second half of 1975 to an upward trend. But Mr. Schumann had some cautious words to say about the gold-mining industry itself.

Working costs per ton milled rose by over 25 per cent. last year. They are expected to rise by almost as much this year. But Mr. Schumann thinks that the moment may be approaching when increasing productivity will help to cut back this escalation rate. Battling against this is the current fight by the white miners for a five-day week. It is too much to hope that this could be introduced without some loss of production, Mr. Schumann admits.

Coal figured largely in the president's speech with an estimate that South Africa's production will have to be doubled in *the next decade if the country's* export potential is to be fulfilled and its increasing domestic *requirements* satisfied. The investment needed will be around R1bn. (£646m.).

For uranium Mr. Schumann is able to report spot sales for *prompt* delivery at about $20 a pound, some three times that of a few years ago. The *long-term* outlook for platinum and antimony is considered to remain *encouraging*.

Overall, the president is quite rightly able to point out that "while *in some* other major mining countres political attitudes are serving to hamper and deter mining countries political attitudes African Government recognises and encourages mining development as in the national interest." Such a favourable climate should "facilitate the substantial flow of capital from abroad on which expansion at projected rates will depend."

ROUND-UP

Canada's **Lenadele Syndicate** has granted an option to the **Athlone Prospecting and Development Corporation** until mid-1978 to earn up to a 60 per cent. interest in a nine-square-mile prospecting licence in Ireland's Laois and Kilkenny Counties subject to its making certain expenditures. The Syndicate's participants include **Canadian Lencourt Mines** with 40 per cent. and **Watts Griffis and McOat** with 20 per cent.

* * *

A bid of 102 cents (60p) a share for **Mining Corporation of Australia** has been made by the **Esperance Bay company**. Non-acceptors are reported to have the chance of getting another 38 cents in one to two years' time. Resultantly, MCA shares are now quoted in London on the basis of 90p a share cum premium.

* * *

Australia's **Mt. Carrington Mines** has entered into a joint venture government-approved agreement with **ICI Australia** and America's **Newmont** for the exploration of the Lady Clayre copper prospect near the Dugal River in the Cloncurry district of Queensland.

* * *

Australia's Ferrovanadium Corporation and **Vultan Minerals** have done a share swapping deal *which has been approved by the* shareholders of both companies. Vultan will issue 225,000 shares in exchange for 430,000 Ferrovanadium. Yesterday Vultan were unchanged at 15p.

Setback for Australian minerals Bill

The Act setting up the Federal Government's Petroleum and Minerals Authority has been ruled invalid on a procedural technicality by the Australian High Court. The Court upheld an appeal by four non-Labour State Governments against the constitutional validity of the Act.

The Court was not asked to *rule on the Act's substantive aims* of empowering the Authority to find, develop, process and market *minerals throughout Australia* and to buy into Australian-controlled mining or oil companies to *maintain their viability or* Australian majority ownership.

A Canberra spokesman for the Minerals and Energy Minister, Mr. Rex Connor, is reported to have said that the Government will re-submit the Bill to both Houses of Parliament. In the meantime, the Government will assume the Authority's responsibilities for joint ventures already arranged between it and the Australian companies.

COMPANY NEWS

Dawson Intnl. setback

A SECOND half loss resulted in a slump in pre-tax profits from £6.24m. to £500,000 at **Dawson International** for the year ended March 31, 1975.

At half way when reporting a decline from £2.4m. to £970,000 the directors expected results for the second half would be not dissimilar to those of the first.

After tax, minority losses and extraordinary debits of £976,000 (£605,000) an attributable loss emerges at £642,000 (profit £2.92m.).

Extraordinary items include expenses of major reorganisation of £140,000, losses in respect of termination of activities £238,000, amount written off trade investment of £515,000 (£623,000), *goodwill*, arising on acquisitions, written off of £122,000 and profit on redemption of debentures £39,000 (£18,000).

The directors give four main reasons for the reversal of fortunes: These are that a transition from boom to slump of unprecedented speed and severity in *worldwide* demand for high quality woollen products; severe de-stocking movement throughout the trade that led to *substantial falls in raw material prices*; a decision to reverse in considerable part a major programme of *diversification*, which had been overtaken by the almost universal and rapid deterioration in trading conditions; expense of slimming down the enlarged organisation which had been developed to *manage a worldwide expansion in* activity.

They say a notable outcome of the action taken was a substantial reduction in short-term borrowings from a peak of approx. £10m. in the Autumn of 1974 to a net figure of £5m. at March 31, 1975. Strict control of cash usage continues to be exercised.

The group is now trading at a "modestly" profitable level. There are signs of a little more confidence in the trades in which the group operates but to restore the high profitability of recent years, "obviously will take time."

	1974-75 £000	1973-74 £000
External sales	42,492	37,291
Trading profit	2,057	6,926
Interest	1,623	904
Share associates	65	222
Profit before tax	500	6,240
Tax	186	2,609
Minority losses	20	[illegible]
Extraordinary debits	976	605
Attributable loss	642	*2,917
Dividends	621	621
From retentions	1,263	†2,296

* Profit. † Retained.

It is in the knowledge of what has ben done to adjust the group to the changed conditions, and and confidence in the inherent strength of operations, that the decision has been taken to maintain the dividend at 2.79p net with a *final of 1.74p*.

Net current assets total £10.37m. (£9.23m.) and net assets employed £18.14m. (£17.78m.).

Statement, Page 21

See Lex

Hill Samuel in good shape

WITH SO many uncertainties throughout the year there was "a premium on prudence" and the Hill Samuel Group adopted a cautious policy, says the chairman, Sir Kenneth Keith, in his annual statement.

The group came through 1974-75 in good shape and all sections of the business are poised to take advantage of the upturn in world trade when it comes. The return of U.S.$16.285m. of *Herstatt money removed* an impediment to further expansion when the time was right.

On the economy, Sir Kenneth says with regard to inflation: "The Government must either act *now* or *put our currency and our* ability to compete in export markets in grave jeopardy. The decline in the U.S. *economy* appears to be about to level off and I would hazard a guess that it will begin to turn up towards the end of this year and improve noticeably early in 1976."

As known profits after tax fell from £7.14m. to £5.75m. in the year to March 31. The dividend is lifted from 3.2744p to 3.5363p net.

During the year an ex-gratia payment of £125,000 was made to a director by a group subsidiary on his leaving the group's service.

On May 12, Philip Hill Investment Trust held some 10.47m. Ordinary shares, and the Samuel family some 8.28m. shares. Meeting, 100 Wood Street, E.C., on July 17 at noon.

JASCOT SECS.

Jascot Securities has moved to 21 Leven Street, Edinburgh (telephone 031-228 1421). All deals and inquiries should now be directed to the new office.

BIDS AND DEALS

Investment trusts merger plan talks

General Investors and Trustees *and* **City and Gracechurch Investment Trust** announce that talks are under way about a merger of the two companies.

CAG will cease to be classed as an investment trust on June 30 as its wholly owned subsidiary, Gold Estates of Australia (1903) now makes up more than 15 per cent. by value of its investments.

Under the terms of the merger, which will be by a scheme of arrangement provided both parties agree, a new investment trust will be formed with assets of about £21m. Gold Estates will be a subsidiary of the new trust.

Further details are likely to be revealed in August, but it is expected it will involve cancellation of the issued share capital of CAG and, in exchange, the issue to *its shareholders of securities in* GIT, which will retain its investment trust status. CAG will accept withdrawal of conversion notices already lodged by holders of Convertible Ordinary shares in CAG up to 3 p.m. on July 7.

MYSON—SMC

Myson, one of two companies bidding for control of **Sealed Motor Construction**, has received acceptances in respect of 233,872 shares in SMC (4.25 per cent.)—it already owns 695,500 shares (12.65 per cent.). The increased Myson offer remains open until July 7 or such later date as it may decide.

RECENT ISSUES

EQUITIES

Issue Price p***	Amount Paid Up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price p	+ or −	Div. £ or Amount	Times covered	Gross Yield	P/E Ratio
♣	F.P.	—	172	165	Akroyd & Smithers	165	......	—	—	—	—
48	F.P.	11/7	56	46	Clive Discount (20p)	46	—3	15	—	9.6	—
♠	F.P.	—	£22¼	£17½	Cont.Can. Inc. $US1	£18¼	—⅛	$1.6	—	4.3	—
♦22	F.P.	30/5	365	293	Deelkraal Gold Mining	360	+5	—	—	—	—
::	F.P.	—	134	120	Ewart New Northern	131	......	—	—	—	—

FIXED INTEREST STOCKS

Issue Price £	Amount Paid up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price £	+ or −
£100	F.P.	—	100	98⅝	Agricultural Mortgage 11% 1978	100	......
‡‡£100	£25	11/8	66½	39	Allied Irish 10% Conv. Uns 1985	41½p	—1
$100	F.P.	—	$100	$100	Barclays Bank Int. 9¼% Capital Notes 1982	$100	......
£97½	£10	—	10	9¾	City of Westminster 12% Red. St. 1981	10	......
£100	F.P.	11/7	102	101	Colne Valley Water 9% Red. Prf. 1980	101	—1
£100	F.P.	—	£104	£104	BankaFinance(U.K.)8%CnvGtdUnsLn.85-90	£104	......
£100¼	£10	31/7	11¼	11¼	Folkestone Dist Water 9% Red Prf. 1980	11¾	+¼
‡‡£100	F.P.	6/6	132	121	Gestetner 10% Com. Uns. '90/95	122	—4
$98	F.P.	—	$98½	$96½	Granges 9¾% Bonds 1985	$98½	......
£99	F.P.	30/5	102¼	98½	Lincoln Corp. 13% 1980	100¾	......
††£99	F.P.	30/5	106½	101	Mid-Kent Water 10% Prf. 1980	101¼xd	......
**	F.P.	23/5	106½	101¾	Mid-Southern Water 10% Prf. 1980	102xd	......
$100	F.P.	—	$102½	$100½	Norsk Hydro 9¾% Bds.1985	$102¼	......
£100	F.P.	21/5	123	108	N. Atlantic Secs. 7½% Cnv. 95-98.	114	......
£100¼	£10	31/7	11¾	11	N. Surrey Water 9% Red Prf. 1980	11¾	+¼
††£75	F.P.	—	103¼	100	Rickmansworth & Uxbridge 10% Prf. 1980	104	......
£99½	£45	1/8	46¼	43½	Southend-on-Sea 12½% 1981	44	......
£99	F.P.	11/4	106	99	S. Staffs. Water 10% Prf. 1980	101½xd	......
**	F.P.	18/4	106	101	Sutton District Water 10% Prf. 1980	101½	......
£99¼	F.P.	11/7	99¼	98¾	Warwickshire 12¾% Red. Stk. 1980	99	+¼
£1	F.P.	24/6	110p	98p	Waterford Glass 10% Conv. Cum. Red. Pref.	99p	+1
—	F.P.	14/2	90	80	Worth (Bond) 12% Conv. Uns	85	......
‡‡£100	£50	2/10	97	67	Yorks Chems. 12½% Conv. Uns	81	......

"RIGHTS" OFFERS

Issue Price p***	Amount Paid up	Latest Renunc. Dates †	Latest Renunc. Dates ‡	Stock	Closing Price p***	+ or −
33	F.P.	16/6	2/7	Associated Biscuit	56	—6
43	F.P.	20/6	8/8	Associated Engineering	50½	—1½
25	Nil	—	—	Barrow Hepburn	9½pm	—2
85p	Nil	2/7	1/8	Bell (A.)	8pm	—1
45	Nil	—	—	Bee Intl.	2½pm	—½
$100	Nil	—	—	Borel (Jacques)	245 pm	......
40	Nil	3/7	8/8	Carless Capel	20pm	......
$1.50	Nil	2/7	7/8	Commercial Bank of Australia	80pm	+2
45	Nil	26/6	25/7	Duport	1½pm	—¼
25	F.P.	13/6	11/7	Elliott Grp. (of Peterboro)	35	......
65	Nil	—	—	Ever Ready	4pm	—5
38	Nil	—	—	GEI Int.	3pm	—4
200	Nil	—	—	Glaxo	140pm	—6
17	Nil	—	—	Gordon Johnson-Stevens	1½pm	......
52	F.P.	16/6	11/7	Hawkins & Tipson	64	—1
25p	F.P.	24/6	18/7	Hestair	48	—1
[illegible]	F.P.	13/6	11/7	Macarthys Pharm	[illegible]	—1
100	F.P.	11/6	11/7	Marshalls Universal	106	—5
Kr200	Nil	12/7	—	Norsk-Hydro	$24½pm	......
10p	Nil	2/7	8/8	NSS Newsagents	27pm	—4
60	Nil	—	—	Nurdin Peacock	17pm	—4
25	Nil	—	—	Phoenix Assurance	14pm	—5
5p	Nil	—	—	Premier Cons. Oilfields	3½pm	—¾
105	F.P.	19/6	17/7	Prudential Ass	115	—2
47	F.P.	4/6	16/7	Richard & Wallington	60	......
20	Nil	—	—	Root Harvesters	8pm	......
27½	Nil	—	—	Serck	4pm	—5
300p	F.P.	—	—	Siebens Oil & Gas UK	600	—40
75	F.P.	20/5	18/7	United Biscuits	85	—6

Renunciation date usually last day for dealing free of stamp duty. a Placing ice to public. b Figures based on prospectus estimate. d Dividend rate paid or ayable on part capital, cover based on dividend on full capital. p*** Pence nless otherwise indicated. u Forecast dividend: cover based on previous year's arnings. T Figures assumed ‡ Cover allows for conversion of shares not now anking for dividends or ranking only for restricted dividends. ** Issued by tender Offered to holders of Ordinary shares as a "rights." ♥ 399 S.Afr cents. ‡ Rights y way of capitalisation. †† Tender allotment price. ♦ Reintroduced. ‡‡ Issued in nnection with reorganisation, merger or take-over. ♣ Introduction. ♠ Issued to rmer Preference holders. ‡ Allotment letters (or fully-paid). † Provisional or artly-paid allotment letters. § With warrants.

Austrian steel merger

UNDER a law just passed by the Austrian Parliament, the three major nationalised special steel producers with a combined production of 320,000 tons per annum have been merged into *a new company called Vereinigte* Edelstahlwerke A.G.

The three companies—Boehler, *Schoeller-Bleckmann and Styria*—had last year a total turnover of Sch.12.5bn. (about £330m.).

The three companies are excessively dependent on foreign sales. Thus last year, exports accounted for 87 per cent. of the turnover of Schoeller and for 77 per cent. of Boehler.

The special steel sector has been badly hit by slackening export demand accentuated by the lack of co-ordination in marketing and sales policy.

Cayzer Steel Bowater's French deal

Cayzer Steel Bowater Holdings has bought a 30 per cent. stake in a French insurance broking company, **Societe Intercontinentale d'Assurances pour le Commerce et l'Industrie** for an undisclosed cash sum.

Cayzer Steel, jointly owned by Bowater (50 per cent.) British and Commonwealth Shipping (25 per cent.) and Steel Bros. Holdings (25 per cent.) sees the French company as an important *part of its long-term strategy of* investing in Europe and maximising overseas earnings.

As *part of the agreement* SIACI is taking a reciprocal stake in a new company, Cayzer Steel Bowater and Partners (Europe), being set up to give the French company access to the London insurance and reinsurance markets and which will service the British interests of its international clients.

ASSOCIATED DEALS

Joseph Sebag bought, on behalf of **Adwest Group**, 12,500 **Sealed Motor Construction** at 40p.

Myson Group bought on its own account, 40,000 **Sealed Motor Construction** at 41½p.

Rowe and Pitman, Hurst Brown bought on behalf of **Hambros Bank**, associates of **Thorn Electrical Industries**, 30,000 **Sheffield Twist Drill and Steel** at 91p.

SHARE STAKES

Hidong Esatate—Mr. D. L. Pulton has acquired an interest in 86,000 Ordinary shares (10.0389 per cent.).

Chancery Consolidated-East and West Investment now holds 1,816,00 Ordinary shares (13.9 per cent.).

£½m. facelift for valley

A *TWO-MILE VALLEY* is to be landscaped by Stoke on Trent city council at a cost of £500,000.

Part of the 320-ft. high Chatterley Whipfield colliery waste heap will be removed to beautify the 366-acre Foxley Valley area.

COMPANY NEWS

Improved picture for John Mowlem

SIR EDGAR BECK, chairman of the **John Mowlem and Co.** international construction group, says in his annual statement that a good order book and a healthy balance sheet enable him to take a better view of prospects for 1975 than he would have expected, when the national economic position indicates both inflation and recession.

Part of this improved picture, Sir Edgar explains, is due to the working out of some of the U.K. contracts caught by inflation, in respect of which traditional price escalation clauses proved unsatisfactory, but to which the industry as a whole is being held, especially in the public sector.

Current work undertaken on improved contract conditions should enable fair margins to be earned and the effort overseas enables a "cautiously optimistic" view to be taken for the immediate future, the chairman adds.

Sir Edgar stresses that as it is impossible for anyone to foretell what new and further problems the British economy will pose, it is "obviously necessary" that the strong situation of the company is used to the best advantage in 1975 for the purpose of consolidating its position in those markets "least dependent upon the savage cuts now necessary in Government and local government expenditure."

As known, pre-tax profits for 1974 at £1.82m. fell short of the £2.09m. in the previous year, principally because of a loss in Australia due to flooding in Brisbane—other factors for reduced margins were the three day working week, exceptionally wet weather at the end of the year and the "ever increasing" burden of inflationary costs. The dividend is lifted from 3.69p to a maximum permitted 4.03p net per 25p share.

Construction work in the U.K. increased considerably, both in civil engineering and building. New work taken on is at prices and on terms that "should serve as far as possible to ensure that profits are not diluted or eroded by inflation."

Overseas, says Sir Edgar, the policy of the group to become more involved has resulted in nearly 20 per cent. of the total turnover stemming from abroad. The effect of the Brisbane flooding is now behind Barclay-Mowlem and the chairman is confident the group may expect to see a profit for inclusion in the half-year results to June 30, 1975.

On property, the chairman reports that no improvement of any substance took place in market conditions for commercial property development during 1974 and accordingly no more sites were acquired by SGB-Mowlem Properties. Some development took place on existing sites and it is possible that some realisation could take place in 1975.

The source and application of funds statement shows a decrease in liquidity of £883,976 (increase £489,168).

Meeting, Ealing Road, Brentford, July 16, at 11 a.m.

Chairman's Statement, Page 9

BOARD MEETINGS

The following companies have notified dates of Board meetings to The Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-division shown below is based mainly on last year's timetable.

TO-DAY

Interims:—Ashmole Investment Trust, Crest Nicholson, Greenfield Millets, Lancroft Kilgour, Throgmorton Trust.

Finals:—BPB Industries, Baker Perkins, Burtonwood Brewery (Forshaws), Continuous Stationery, Dorman Smith, Emray, Lamont Holdings, London and Overseas Freighters, M.K. Electric, Plessey, Technology Investment Trust, Trident Group Printers.

FUTURE DATES

Interims:—	
Allied Textile	Jul. 23
Grange Trust	Jun. 27
Kenning Motor	Jun. 26
News International	Jun. 27
Finals:—	
Airfix Industries	Jul. 10
Alliance Alders Paper Packaging	Jul. 9
Doranakande Rubber	Jul. 4
Kinta Kellas Rubber	Jul. 7
Mason and Burns	Jun. 27
Penrad	Jul. 4
Preedy (Alfred)	Jul. 8
Tex Abrasives	Jul. 1
United British Securities Trust	Jul. 5

Queens Moat Houses

Higher interest charges have more than offset a slight profit improvement at **Queens Moat Houses** (hoteliers, restaurateurs, etc.) in 1974, with the result that pre-tax profits fell from £338,505 to £232,130.

However, a substantially lower tax charge leaves the net balance up from £192,109 to £213,307. Earnings per 5p share are shown at 1.25p against 1.28p.

The final dividend is 0.2525p making a net total of 0.5275p, the same as the previous year. The Board and a substantial shareholder have waived their right to dividend in order to conserve cash resources—this action retains £27,693.

Chairman John Bairstow says the additional turnover indicates a continued upward trend, but he points out that in the current economic climate, with fluctuating interest rates and inflation, it would be "quite wrong" to forecast the future.

	1974 £	1973 £
Turnover	5,255,216	4,101,065
Profit*	496,794	676,500
Interest payable	244,664	349,995
Profit before tax	**252,130**	**326,505**
Tax	38,823	134,396
Net profit	213,307	192,109
Minority interest	1,156	1,616
Balance	212,151	190,493
Dividends	77,157	81,209
Retained	135,994	109,285

* After making provision for doubtful debt £25,000.

Laurence Scott hopeful

MR. P. M. TAPSCOTT, chairman of **Laurence Scott** told the annual meeting that output for the first six months trading of 1975 would compare favourably with 1974, when the figures were adversely affected by three-day working in the opening months.

The recovery in output would only benefit earnings to a small extent, but the profit outlook for the remainder of the year was much brighter, provided the company could hold costs and the rate of production in its plants, he added.

ROBERT MOSS DIVIDEND

Robert Moss states that, due to Treasury intervention, the proposed final dividend is reduced from 1.055p to 1.045p.

House of Fraser sales trends

WITH THE major part of the trading year of **House of Fraser** still ahead, "I am not prepared to put any precise figure on the results while we still wait for some check to inflation." This was stated yesterday by chairman, Sir Hugh Fraser, at the department stores group's annual meeting.

Sir Hugh said sales in April and May were mixed, there having been a post-Budget boom on introduction of a 25 per cent. VAT rate—but this had ended on May 1. Sales elsewhere were reasonable. It was not until July that the company could tell how the summer was turning out. "Certainly there is no reason to be pessimistic about it," said Sir Hugh.

Pointing to official figures showing a fall in real volume of sales of 14 per cent. in May, compared with April, Sir Hugh said the fall at House of Fraser was "very much less."

Sales achieved in various parts of the country had varied considerably and had depended very much, as they always did in times of trouble, on the promotional ability of managements and staffs in each area and in each store.

Commenting on negotiations already announced for the acquisition of the Hide Group of stores from Tootal and Co., Sir Hugh said this was an interesting group of a dozen useful small stores spreading from Blackpool in the north to Hove in the south and across country from Southend to Yeovil.

Growth by acquisition, large and small, had always been an essential part of the company's tradition "and I do not doubt that there will be more to come," said Sir Hugh.

Meeting, Page 18

Progress at Peerage

Continuing progress, despite the recession in world markets, was reported by Mr. Cyril Jewsbury, chairman of **Peerage of Birmingham**, at the annual meeting.

Exports had risen from well under half to 55 per cent. of a higher volume—"a great achievement in view of the fact that the recession has been worse in overseas countries than in the U.K." he commented.

If there was to be price restriction in the home market, then continued growth abroad would be a major factor in profitability.

The group still had confidence in the year as a whole, and results "should not be too unsatisfactory," said Mr. Jewsbury.

Provisions hit Eastern Produce

IN VIEW of extraordinary below-the-line items charged in the 1974 accounts, the directors of **Eastern Produce (Holdings)** are not recommending payment of a dividend for the year.

When omitting the interim last December, they were hoping for a small final dividend.

Net profit for the year, after heavier tax, improved from £1,118,000 to £1,227,000, with basic earnings per 50p ordinary shares at 13.8p (14.2p) and diluted at 12.5p (11.8p).

However, extraordinary debits of £3.9m. (£180,000) result in a net deficit of £2,717,000 (profit £938,000). They include a provision of £2.233m. against the investment in Associated Fisheries to take account of current problems in the fishing industry, and a write-off of £1.019m. against investments in Jessel Securities.

Net asset value per share, based on market values at December 31 is shown to have fallen from 103p to 65p.

Group trading in Angola is being affected by the present political troubles, the directors also report. The situation is being kept under "continuous review."

	1974 £000	1973 £000
Group turnover	27,219	23,111
Profits & inv. revenue	2,043	1,293
Exchange loss	187	†267
Assoc. companies	535	371
Profit before tax	**2,491**	**1,961**
Taxation*	1,268	823
Outside holders	4	10
Profit after tax	1,227	1,118
Extra-ord debits	3,944	180
Loss balance	2,717	†938
Dividends	—	359
To reserves	—	580

* Of which £1,232,000 (£899,000) overseas † Profit.

Metal Box start not up to expectations

PRELIMINARY results for the first two months of the current year of **Metal Box** have been below expectation, and the directors feel it would be unwise to predict for the year as a whole.

The year, therefore, is likely to be one of consolidation in "preparation for the next step forward."

The is stated in the documents accompanying the annual report and accounts, which contain details of a proposed rights issue to raise about £24m. in order to broaden the equity base to support the major capital investment programme.

In the year ended March 31, 1975, capital expenditure totalled £35.5m. of which £22m. was spent in the U.K.; and commitments at the year-end were £28.4m.

Much of the capital investment relates to the equipment for the manufacture of two-piece cans by the wall ironing process. The group has two-piece lines operating at Acton and Glasgow, with a further four about to start up at Westhoughton. It plans to install another line at Glasgow and to provide similar installations overseas.

The glass bottle factory in Nigeria, another major investment, has recently started production. This enterprise, in which the Japanese company Toyo Glass is the technical partner, is MB's first ever venture into glass.

Expansion in Europe, including the acquisition of a collapsible plastic tube and plastic moulding business in France, is evidence of the search for further opportunities.

With the introduction of new metal and plastics technologies research and development becomes of even greater importance; this also will entail substantial capital expenditure, says the chairman Mr. A. W. Page.

The issue will involve 11.48m. Ordinary shares of £1 on a one-for-four basis at 210p each to holders registered June 17, payable in full on acceptance by 3 p.m. on August 1. Renounceable provisional allotment letters will be sent out on July 10 and dealings in the new shares are expected to start the day following. Baring Brothers has underwritten the issue.

For the current year the directors expect to recommend a dividend of 12.1p net on the enlarged capital (against 10.22p in 1974-75) and Treasury consent has been received in the context of the issue.

As reported on June 3, group sales in 1974-75 totalled £455.58m. (£353.81m.) and profit before tax was £36.7m. (£29.91m.). A geographical split of sales shows: U.K. £267.1m. (£208.8m.); Africa £94.2m. (£70.9m.); Asia £43.4m. (£35.8m.); Europe £41.9m. (£32.3m.); other countries £9m. (£6m.).

Mr. Page says with strict control of debtors and stocks and a general tightening of the purse strings, the group has aimed to maintain equipment in peak condition, and has been able to continue with two major investment projects (a beverage can factory at Westhoughton and a glass bottle unit in Nigeria). However, some smaller projects have had to be delayed.

Mr. Page expresses "great concern" over future tinplate costs and prices. He says the Government gave assurance that there was no intention of slowing down British Steel Corporation's development programme and progress towards greater efficiency, but "this now seems again to be in doubt."

"It appears that the reconsideration of their plans and the overall influence of the Government are being directed solely to short-term solutions rather than to the future efficiency of the steel industry which will guarantee jobs in the longer term," he states.

On inflation accounting, the chairman points out that the CPP method is not wholly relevant to MB. Once the Sandilands recommendations are available, inflation-adjusted accounts will be produced.

Meeting, the Dorchester, W, July 17 at 12.30 p.m.

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See Lex

International Distillers setback

In the first half to March 31, 1975, sales of **International Distillers and Vintners** rose £25.2m. to £126.9m., but profit before tax fell £1.87m. to £3.87m.

The contribution from associates came to £388,000 (£104,000) and interest charged was £5.11m. (£3.24m.).

After tax £1.31m. (£2.89m.) and minorities £64,000 (£123,000), the attributable profit is down from £2.73m. to £2.49b.

The company is a subsidiary of Grand Metropolitan.

Outlook at John Bright

WITH A GOOD order book for industrial textiles and the improvement in the raw material supply position, **John Bright Group** should be able to look forward to another satisfactory year, even though the outlook for its carpet yarn and cord fabric activities is not as encouraging as the directors would like it to be, says chairman Mr. J. M. Forde.

However, the many imponderables in the political and economic situation make confident forecasts for the present year impossible, he adds.

In spite of the uncertainties and problems, the group's policy is to continue the development of its business in the highly specialised market for industrial textiles and, in particular, to build on its present strong position in the technological field of reinforcement materials for the rubber and plastics industries.

Profit before tax for the year to April 5, reported June 5, expanded from £881,806 to £1,203,606 and the dividend is stepped up from 1.925p to 2.05p net.

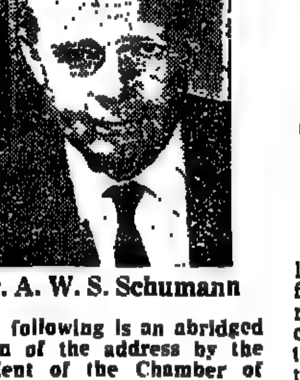
The group's spinning activities are largely dependent on the demand from its industrial textile section and the latter's success in moving into new areas of demand involving high tensile synthetics rather than cotton yarn has reduced the demand for the products of the group's spinning mills to feed its own looms. As this situation is likely to continue, the decision was taken during the year to reduce spinning output to a level more in keeping with future needs. This reorganisation has now been completed successfully and the group is once more trading profitably in its spinning activities.

COMPANY ANNOUNCEMENT

85th Annual General Meeting of the Chamber of Mines of South Africa

Gold's great strength is key to the future

CHAMBER OF MINES OF SOUTH AFRICA PRESIDENTIAL ADDRESS: 1975



Mr. A. W. S. Schumann

The following is an abridged version of the address by the President of the Chamber of Mines of South Africa, Mr. A. W. S. Schumann, at the 85th annual general meeting of the Chamber in Johannesburg on June 24, 1975:

The salient feature of the year under review, and of subsequent months, has been the strength of gold on world markets reflecting widespread confidence in the future of the metal and growth in investment demand. This has enabled South Africa to weather with relative equanimity a world recession of rare severity. It has also helped the mining industry to meet the twin problems of Black labour shortage and unprecedented inflation. These problems constitute a continuing challenge and the critical areas at which the main weight of our endeavours must be directed.

MINERAL PRODUCTION AND SALES

The total value of South Africa's mineral sales, including gold, in 1974 was a record R3 928 million, a rise of 38 per cent. compared with the previous year and of more than 100 per cent. compared with 1972. Gold sales increased by 46 per cent. in value, coal sales by 31 per cent., antimony by 56, copper by 30, nickel by 55 and manganese by 48 per cent. There were important rises in the value of sales of other minerals too. Mining, including semi-processed minerals, accounted for 68 per cent of total exports. Mining's percentage contribution to the gross domestic product was the highest since the second world war.

Mineral sales are currently affected by a downturn in demand flowing from the world recession. The indications are that in the year ahead the major trading nations will move into a new period of reflation and growth, bringing fresh stimulus to the mineral industries. This will in turn help to bring to an end the present cooling-down phase in the South African economy, which should be followed by a vigorous, upward cyclical movement. However, there will be a lag before the effects of this rising demand are felt in this country and it is unlikely that the turning point will be reached before well into 1976.

World sales of diamonds in 1974 through the Central Selling Organisation totalled R849 148 000, a decrease of 7.8 per cent from 1973. Record levels were achieved during the first half of the year and the reduction in total sales was caused by the marked deterioration in economic conditions throughout the world in the second half.

URANIUM

Uranium production by Chamber members in 1974 was 3 074 metric tons U_3O_8, 20 tons less than in 1973. The continuing decline in output reflects the steps taken by producers in the past few years in response to the depressed short-term uranium market. Another factor has been reduced recovery because the higher gold price has resulted in the mining of ore which is lower in uranium as well as in gold content.

Last year, however, my predecessor reported evidence of a significant revival of the uranium market. I am pleased to say that events since then have fully justified the optimism he expressed. Not only has the longer term demand continued to grow, with the prospect of greatly increased prices, but spot sales for prompt delivery are now being reported at about 20 dollars per lb U_3O_8. This is in the region of three times the low price at which uranium was sold only a few years ago.

GOLD

Working costs per ton milled rose by over 25 per cent. Part of this was due to the high general inflation experienced, the consumer price index having risen by 14 per cent in the course of the year under review, and part was due to the considerable wage increases given to the labour force on the mines, and especially to Black workers. The cost of stores and services which constitute about one half of total working costs have tended to follow the general inflation rate. Labour costs, which account for the other half, rose much faster. The proportionate cost of unskilled labour, historically some 18 per cent of total costs, was last year about 23 per cent, and has continued to rise.

Capital expenditure is also increasing rapidly. Last year declared expenditure increased to R196 million compared with R106 million in the previous year. Inflation and normal expansion of existing operations account for a large part of this increase, but the expenditure also reflects the considerable efforts being made to improve the productivity of labour. New shafts are being sunk and increased hoisting capacity provided to shorten lines of communication and improve ventilation, additional refrigeration capacity is being installed, and substantial improvements are being made to surface amenities for the labour force. High levels of capital expenditure will be a feature of the years ahead, and undue inflation of such costs will add materially to the complexities of turning the country's mineral resources to the best advantage.

MONETARY ROLE AND PRICE OF GOLD

The gold price which was static at $35 an ounce for more than 35 years, appears recently to have reached the comparative level of other commodities which were not subject to abnormal price restraint. However, this does not imply that the price of gold will now remain stationary. Far from it. Rather it suggests that the next phase in the price rise will reflect the change in value patterns that are widespread today and which will continue in the future. I expect that political events, currency uncertainties, changing world financial conditions, the continuing international debate on the role of gold in the monetary system, together with growing investment demand fired by the inflationary syndrome, will force the gold price upwards. Unfortunately, it would be too much to expect fluctuations in the price to be completely eliminated as the very nature of the metal's power in economic affairs results from the inherent tensions and contradictions prevalent all around us, and the price will move in sympathy with these events.

One of the contributory factors to the underlying strength of the gold price is the slow but steady progress that has been made towards the return of the acceptance of gold as an essential component of the international monetary system, despite so many attempts to deny its importance.

Under pressure of the deterioration in the balance of payments positions of virtually all industrialized countries caused by the quadrupling of oil prices, the United States agreed to a series of steps which, although piecemeal, have now culminated, in de facto gold revaluation.

These steps included agreement among the members of the former "gold pool" in November 1973 that monetary authorities could henceforth sell their gold on the free market (thereby abrogating the two-tire gold marketing agreement of 1968); in June 1974 it was agreed that gold could be used as collateral against international borrowings at a price determined by the borrower and the lender; and the bilateral Martinique Agreement between the United States and France in December 1974 approved the revaluation of official gold holdings to market prices.

The French immediately revalued their monetary gold reserves at a market related price of $170.40 per ounce. As soon as other countries emulate the example of France—and there is little reason to believe that they will refrain from doing so for very much longer—official gold holdings will be valued at about $180 billion. They will then exceed the level of foreign exchange reserves. Gold will again have become the principal component of international monetary reserves.

Allied to the revival of gold in the international monetary sphere is the faith in the yellow metal which has been displayed by large sections of the public all over the world. Demand for gold as an investment medium has manifested itself in a tremendous increase in interest in gold coins in the past year, as shown by the notable success of the marketing of the Krugerrands.

The final day of 1974 brought one of the most remarkable events in the recent history of gold: the United States authorities permitted the legalization of gold ownership. Despite the excitement at the time, gold dealing in the United States has been quiet since the resumption of private trading. This can be attributed mainly to the widespread, highly effective anti-gold campaign intiated by the U.S. authorities immediately prior to legalization; advance purchases of gold coins in 1974; the easing of inflationary pressures and the strength of the United States equity market.

Despite the present relative weakness of the gold market, as compared with the high prices seen in late 1974, there is substantial buying potential in the United States. The present situation of consolidation could quickly change. Monetary uncertainty continues unabated and an eventual revival of economic activity will almost inevitably give rise to new fears about the erosion of the purchasing power of money.

The failure of the interim committee of the International Monetary Fund to reach agreement at its meeting in Paris this month on the future role of gold in the system has added to the uncertainty.

There is little doubt that the world has changed drastically in the last few years—politically, economically and socially. But gold has maintained and, indeed, enhanced its importance to mankind.

MARKETING AND PROMOTION OF GOLD

As a result of the relatively stable free market price of gold in recent months and a gradual return to the fashion colour gold, the decline in the industrial usage of gold is expected to level out and possibly give way, in the second half of the current year, to an upward trend.

The activities of the International Gold Corporation, Limited, in the year under review were designed primarily to arrest the rate of decline in the consumption of gold in jewellery. Intergold has continued to follow a policy of joint co-operation with the trade, and in 1974 the jewellery trade in Europe contributed half of the total joint promotional budget.

KRUGERRAND

International Gold Corporation, Limited, continued to market the Krugerrand gold coin on behalf of the Chamber of Mines overseas. Total Krugerrand sales amounted to about 3.2 million in 1974 and to about 2.5 million in the first five months of 1975.

However, the disappointing response of the American market in terms of Krugerrand sales so far and the recent restriction, in April 1975, on the import of the coin into the United Kingdom have, at least temporarily, considerably reduced demand for the Krugerrand. To counter this declining trend, the Chamber of Mines has launched a promotion campaign for the coin in Germany in conjunction with its two agents in that country and is planning a similar joint promotion with its three agents in the United States.

CONDITIONS OF EMPLOYMENT

Wage increases for Blacks have been a feature of the past two years. Wages were twice increased in 1974 and again from the current pay month. In all, wages are now more than four times those paid prior to May 1973. The previous low level of wages, imposed to a large extent by the fixed gold price, was inevitably criticized. These criticisms have been met and the real value of wages rapidly increased. There may even be criticism that the rate of increase is too fast, bearing in mind the already heavy inflationary burden. The fact is, however, that with the expansion of mining that impends, it is sound business economics to take action necessary to ensure a continuing flow of the labour on which operations will depend.

The industry has for many years had close associations with neighbouring territories in that foreign nationals have come to work on the mines in considerable numbers and have returned home with relatively substantial cash savings. Deferred pay and remittance payments to home territories during 1974 totalled R57 million. Despite the ban on the engagement of labour from Malawi, we hope that Malawian citizens will in the future again come to work on our mines. We have come to an arrangement with the Rhodesian Government which permits the engagement of 20,000 men a year. Our relationship with Mocambique, Lesotho, Botswana and Swaziland has remained satisfactory, with engagements in Lesotho and Mocambique increasing quite markedly over the past few months. Mocambique to-morrow celebrates the territory's independence and thus embarks on a new phase of development with the good wishes of all the people of South Africa.

The interdependence that exists with neighbouring territories is of mutual importance but it is quite clear that we should also compete more effectively for South African labour in order to increase the proportion of South Africans employed and to channel to South African areas some of the benefits of increased wages.

Energetic steps have been taken to attract South Africans and the proportion has increased from 22 per cent. at 31st March, 1974, to 32 per cent. at 30th April, 1975. It is hoped that it will be possible to increase this proportion even further, and it will therefore be necessary to compete for labour with other sectors of the economy, and to provide more housing accommodation for South African workers. Inevitably the bulk of mining labour will remain migratory for many years to come but it is hoped that a core of stable South African employees can be built up on longer-life mines. Discussions on this subject are in progress with the Government.

Strikes and disturbances on mines resulted in a number of deaths during the year. While there has been no set pattern to these troubles, the great majority arose from inter-tribal clashes and not from dissatisfaction over conditions of employment. The industry is deeply concerned about the intensity of violence that has arisen on a number of occasions. A departmental committee of inquiry into these disturbances has been appointed by the Government, and the industry has itself intensified research in this area and continues to give close attention to communication between management and workers.

RESEARCH AND DEVELOPMENT

In accepting that gold mining is likely to continue to thrive as a major industry for many decades to come, the industry has recognized the need to address itself to the many problems of the future through a programme of research and development. While the unique problems of mining at depth continue to warrant attention, new problems which have resulted from the economic and sociological changes arising from the increase in the price of gold now demand specific attention. To meet these demands the industry has agreed to support research and development to the amount of R150 million over the next ten years.

The principal aim of the new programme is the improvement of job opportunities and working conditions through the introduction of mechanization and better methods of mine planning. It is hoped that this will result in a steady stream of improvements in gold mining technology over the next ten years which will enable the industry to keep ahead of its problems for the foreseeable future.

THE OUTLOOK

There can be no complacency about the future. However, there are important balancing factors which permit a reasoned optimism. Not the least of these is the positive acceptance by the State of the key role of mining in our economic life. South Africa offers not only remarkable potential but a highly favourable political and social environment for mining development which works to the benefit of foreign as well as South African companies. While in some other major mining countries political attitudes are serving to hamper and deter mining development, the South African Government recognizes and encourages mining development as in the national interest.

Although mining costs must be expected to rise this year at almost the level of last year, we may be approaching the moment when increasing productivity will help cut back the rate of cost increase.

We may draw encouragement too from the resource and resilience that the industry has displayed in the rapidly changing circumstances of the past two years. The industry has moved away from total reliance on the low wage, labour-intensive structure imposed for many years by an artificially low price for gold; it has rapidly increased Black wages, streamlined its recruiting organization and procedures, extended its area of investment, cut back on wasteful labour practices, increased productivity. It has recognized the need for a bold programme of research and development and aims to treble its research budget. The scene is one of vigour and enterprise.

This apart, the industry is given extraordinary strength and resilience by the prospects for gold. Far from being stagnant or declining, supply and demand factors presage a rise in the price of gold in both the short and the long term. The promise is one of continuing profitability and expansion, not only for gold mining, but also for mining generally. The industry is backing its confidence in the future with massive investment in new mines and extensions. The problems of inflation and labour shortage remain formidable, but the industry possesses both the means and will to resolve them. Chance has concentrated Africa's mineral wealth in its southern regions across the sea routes linking east and west, and made Southern Africa the economic powerhouse of the continent. The rewards that beckon are the most powerful incentive to finding solutions to the problems of this region, both economic and political.

The full text of this address may be obtained from the General Manager, Chamber of Mines of South Africa, 5 Hollard Street, Johannesburg, 2001.

[illegible]

Allied Breweries sees similar result

EFLECTING a £3m. increase in nance charges, pre-tax profits f the Allied Breweries group ave dropped by £2.7m, to 34.08m. in the 32 weeks to May 0, 1975, compared with the same revious year period, with stated arnings per 25p Ordinary down om 3.75p to 3.22p.

However, the directors say the ffect of increased finance harges will be less severe in the emaining 20 weeks and, given easonable trading conditions, ney anticipate that results for ne full year to end-Sept. 1975 ill approximate to those of last ear.

They report that during the 32 eeks a small increase was chieved in the volume of beer ales, but sales of some other roducts declined. An advance f £66.4m. in turnover is attribu-ed largely to higher prices in-luding higher excise duties.

Members were told at last ebruary's annual meeting that, n more normal conditions, a sig-ificant advance in profits would e expected this year, but that would be taking too optimistic view of the probable outcome f the national uncertainties to e confident that last year's esults would be exceeded.

The interim dividend is lifted om 0.93p to 1.015p net. Total r 1973-74 was 3p paid from axable profit of £39m.

	32 weeks 1975 £000	1974 £000
urnover	420,747	354,311
ading surplus	49,698	[illegible]
preciation	10,703	9,071
ading profit	38,995	34,979
vestment income	3,072	2,653
sociated companies	678	669
tal	42,745	42,551
nance charges	8,715	5,797
ofit before tax	34,030	36,734
xation	17,975	15,621
norities	255	196
ef dividends	252	353
rned for Ord.	15,548	17,665
erim dividend	4,981	4,351

Statement, Page 4
See Lex

Strategy at New Throgmorton

The fund of the New Throgmorton Trust remains fully vested in the equity market, here the bias is towards com-nies with strong balance eets, overseas interests, non-nsumer industries and long-rm inflation-proof assets, according to the chairman, Mr. Edward du Cann.

Additionally, some monies have been disposed into overseas stock markets, he tells members in his annual statement.

The directors feel that it is more than ever necessary to keep overall investment strategy both cautious and mobile, with a wide spread of interests in order to minimise investment risk.

Recalling a statement in which he said that purchases in the Gilt market had been made against borrowed funds, the chairman says that in recognition of the risks of sharp rises in interest rates accompanying an economic "package" and in view of the recovery in fixed interest markets which has taken place since the turn of the year, it has been decided for the time being to reduce substantially the trust's matched position in this area.

For 1974-75, he expected to announce a fall in the net rate of dividend on the income shares of 1 per cent. from 7.175 per cent. to 6.175 per cent. In the event, the trust has been able to write back certain provisions from previous years relating to ACT, and proposal for a final dividend of 3.25 per cent. as against 2.8 per cent. previously paid represents a once only increase which we cannot expect to repeat next year, he adds.

As reported on June 6, revenue before tax for the year to March 31, 1975, declined from £1.25m. to £1.02m. Dividend total is down from 1.79375p to 1.65625p net.

Meeting, 25 Milk Street, E.C., on July 16 at 12.30 p.m.

Permali turns in £0.84m.

THE SATISFACTORY outcome expected by Permali for the year to March 31, 1975 turns out to be a 37 per cent. advance in sales from £8.89m. to £12.27m. and an increase of 25 per cent. in taxable profit from £670,926 to £837,012 after £382,000, against £280,008, for the first half.

Full year earnings are shown to be up from 2.5p to 2.9p per 10p share, and cash flow from 4.9p to 5.8p per share. The dividend is lifted from 0.7423p to the maximum permitted 0.80625p net with a final of 0.47125p.

	1974-75 £	1973-74 £
Sales	12,271,781	8,889,665
British	7,957,908	5,367,035
N. American	3,618,968	3,092,376
South African	695,914	415,124
Trading surplus	1,345,869	1,006,645
British	542,404	529,850
North American	669,129	354,196
South African	134,335	82,582
Depreciation	258,582	248,250
Interest	250,294	88,464
Profit before tax	837,012	670,926
Current Tax	201,127	196,984
Deferred tax	232,891	101,895
Minorities	40,868	40,655
Extraordinary debits	63,187	36,190
Attributable	317,069	295,754
Dividends	106,462	98,736

The chairman, Mr. A. A. Heath, points out margins have been under pressure in both the U.K. and North America, but the South African company has done "extraordinarily well."

Although anxious about certain economic trends, he says that order books are at a satisfactory level and he is confident of the group's ability to continue to react quickly to changing circumstances.

Bradford Property tops £2.5m.

INCLUDING higher profits from property sales, the taxable balance of the Bradford Property Trust has risen from £2.17m. to £2.58m. for the year to April 5, 1975.

Surplus from property rentals was £998,415 against £917,748. Net profit attributable to Ordinary holders advanced from £1.15m. to £1.31m.

Earnings per 25p Ordinary share from rentals surplus, after tax, are shown at 8.42p (5.97p) and on the net attributable figure at 17.53p (13.56p).

The net dividend total is lifted from 4.7187p to 5.1147p with a final of 2.3687p—the gross equivalent is up from 6.8906p to 7.7519p.

	1974-75 £	1973-74 £
Rentals surplus	998,415	917,748
Profit property sales		
Dealing companies	1,249,468	*639,376
Investment cos.	153,044	264,631
Other income	174,298	123,928
Share assoc. loss	15,234	*2,975
Profit before tax	2,582,988	2,167,930
Taxation	1,274,770	1,019,292
Attrib. Ordinary	1,308,211	1,148,638
Dividends	294,712	245,240

* Profit.

Electrocomponents up 20%

FROM EXTERNAL sales, after customers' bonus, up by 33.5 per cent. to £12.77m., taxable profits of Electrocomponents have risen by 20 per cent. to £2.5m. for the year to March 31, 1975. At half-way profits were showing an advance of some 40 per cent. at £1.2m.

A final dividend of 2.10779p, the present permitted maximum, lifts the net total from 3.4639p to 3.75779p—the gross equivalent is up from 56.715 per cent. to 57.054 per cent.

	1974-75 £000	1973-74 £000
External sales	12,772	9,565
Profit	2,503	2,085
Tax	1,209	*952
Net profit	1,293	1,133

* After transitional relief.

● comment

Electrocomponents pre-tax profits are 20 per cent. ahead on a 33 per cent. sales gain; but in the second half of the year cuts in distributors' gross margins coincided with a less buoyant volume picture and margins fell by a fifth in this period on a 31 per cent. increase. The opening of a new distribution centre in Birmingham and a generally high level of stocks has also eaten into last year's £750,000 liquid balances. This imbalance has since been brought back into line with sales growth and the group's high proportion of industrial sales, which are serviced on the basis of small batches and a technical advisory back-up, should continue to be a useful prop in a difficult year. The shares have outperformed the electricals sector so far this year and a yield of 5.4 per cent. and a p/e of 8.8 at 108p is now at a premium to the sector.

Statement, page 25

Evans of Leeds 100% scrip

GROSS INCOME for the year to March 31, 1975 of property investors and developers Evans of Leeds improved from £1.33m. to £1.55m. and net revenue increased from £540,280 to £605,049 before tax of £317,795 compared with £285,133.

The dividend total is lifted from 3.5625p to 3.87041p net with a final of 2.82041p.

A one-for-one scrip issue is also proposed.

Provisions hit Walmsley

FOR THE six months to March 31, 1975 Walmsley (Bury) Group reports that profit before tax, and a provision for future losses on contracts undertaken, decreased from £643,000 to £158,000.

After the provision of £1.6m. (£250,000) and a tax credit of £722,000 (debit £206,000) a net loss emerges at £717,000 compared with a £187,000 profit.

There is no interim dividend compared with 3.5p. Last year's total was 4.5p from profits of £921,861 before tax.

Trading and operating conditions remain difficult and competition intense in all the areas where the company operates. However, the provisions made will, it is expected, and assuming no interruptions in production, permit the current year to be completed without further loss, the directors state.

Successful implementation of further measures in the U.K. under consideration should provide a "sound and healthy" base for future investment and growth and a return to profitable working in 1975-76. Present facilities for working capital are considered to be adequate.

The chairman's statement issued with the 1974 accounts gave warning that 1975 would be a difficult year; and the accounts showed provisions of some £700,000 in respect of estimated future losses on contracts undertaken in 1973, principally by the U.K. subsidiary, and due for completion in 1975

	Half-year 1974-75 £000	1973-74 £000
Turnover	11,782	11,373
U.K.	6,207	7,391
Australia	235	325
Italy	5,340	3,762
Profit before prov. & tax	158	643
U.K.	*202	402
Australia	*47	*36
Italy	407	277
Provision†	1,597	250
Tax credit	722	‡206
Net loss	717	**187
Minority	23	27
Preference dividend§	3	3
Ord attributable loss	743	**157
Interim	—	131

* Loss. † For future losses on contracts undertaken. ‡ Debit. ** Profit. § For half-year to December 31, 1974.

The actual trading results of the U.K. subsidiary in the first half show a loss of some £200,000. Further provision of some £1.4m. has been included in the half year's figures and the overall loss of the subsidiary for the full year is now expected to be approximately £1.5m. (before tax and adjustment), after taking full account of loss making contracts, say the directors. At the present level of productivity it is clear that further re-organisation of the U.K. subsidiary will be necessary.

Tecalemit down by £56,000

ALTHOUGH SALES for the year to March 31, 1975 increased from £16.59m. to £18.62m., taxable profit of Tecalemit shows a £56,000 decline at £776,000, after a half-way fall of £102,000.

Earnings for the year per 25p share are given at 5.3p (5.5p) and a final dividend of 1.95p net makes the total for the year 2.955p against 2.06p—the gross equivalent is unchanged at 18 per cent.

Chairman Mr. N. Bennett says it may be difficult to meet the higher target for profits set in the current year. Subject to the usual provisos, the improved performance evident in the second half should be attainable in the current year.

The improvement in the second half came from the "radical restructuring of the U.K. group, a return to profitability of the German subsidiary and an improved return from Australia."

	1974-75 £000	1973-74 £000
External sales	18,618	16,591
Trading profit	1,317	1,376
Profit before tax	776	832
Tax	422	447
Profit after tax	354	385
Pref. dividend	6	[illegible]
Ordinary dividends	101	[illegible]
Extra-ord debit	236	46
From reserves	213	*221

* To reserves.

Group properties at home and overseas (excepting India) have been professionally revalued resulting in a surplus directly credited to reserves of £1.2m. after allowing for deferred tax.

Extraordinary items include £204,000 for redundancy and transitional costs less tax relief.

INTERNATIONAL COMPANY NEWS

Pripps to brew Danish beers in Sweden

By William Dullforce

STOCKHOLM, June 24.

PRIPPS BREWERIES, which is owned 60 per cent. by the Swedish State and 40 per cent. by the Beijerinvest Company, is to produce Danish Carlsberg and Tuborg beers under licence in Sweden following a deal in which Beijerinvest has sold its majority holding in the Danish Ceres brewery to a Danish consortium, headed by Forenede Bryggerier, the producers of Carlsberg and Tuborg.

At the Danes' request the price paid for the Ceres brewery is not being disclosed, but was described by Beijerinvest chairman Nils Holgersson as "very satisfactory." Ceres has only 8 per cent. of the Danish beer market, way behind Forenede Bryggerier, but is nonetheless the second largest brewery in The Carlsberg and Tuborg brands account for about 7 per cent. of the beer sales in Sweden with a turnover of roughly Kr.125m. (£14m.), and would bring Pripps' share of the Swedish market to some 80 per cent. with total sales of around Kr.1.45bn.

Pripps hopes to increase the Danish beers' market share but its managing-director, Kurt Ryde, believes the main advantage of the deal is that it will enable Pripps to utilise its production capacity more fully. Another advantage is that if, as anticipated, the Swedish Parliament bans beer advertising in Sweden, Pripps would continue to benefit from the international advertising of Carlsberg and Tuborg.

Under a separate agreement the Ceres brewery acquired by the Danish group has undertaken to double sales in Denmark of the Ramoesa mineral water, owned by Beijerinvest.

● Consolidated net income of the Corning Glass works and subsidiaries for the first-half of 1975 amounted to $8.78m., or 30 cents per share. This represents a decrease of 75 per cent. compared with the same period of 1974. Sales were $448.867m., a decrease of 10 per cent. For the second quarter ended June 15, the company had net income of $5.21m., or 30 cents per share, a decrease of 70 per cent. compared with the second quarter of 1974. Sales were $228.249m., down 11 per cent. from a year ago.

Commenting on the results, chairman, Mr. Amory Houghton Jr., said that second quarter sales and earnings, while well below those of 1974, improved modestly over the first quarter.

● American Express has declared a regular quarterly dividend of 20 cents a share.

● Schroder Banking is paying a quarterly dividend of 8 cents per share.

● Transamerica is paying a quarterly 14½ cents per share (same).

● Teijin said sales of its overseas subsidiaries in 1975 are likely to be unchanged from turnover equivalent to Y71bn. last year. The company said that the 1975 total will cover 17 joint ventures, up from 14 the previous year, while the start-up of three new companies—Polynova, of Mexico, and Seiren do Brazil Industria Textil, and Kondotex Industria e Comercio both of Brazil—will tend to boost aggregate turnover, lower sales are expected in Southeast Asia where the bulk of the company's overseas ventures are located.

But it expects a "remarkable increase" in the aggregate turnover of its overseas operations in 1976 when two large-scale ventures—P. T. Teijin Indonesia Fiber and Carodel, of the U.S.—begin operations.

Dawson International Limited

(Incorporated in Scotland)

Dawson International Limited is a Scottish based international group of companies engaged in the manufacture and marketing of knitwear and clothing, and the processing, spinning, and dyeing of cashmere, wool, camelhair and other fibres.

The preliminary announcement of the results for the year ended 31st March 1975 is detailed below.

	£000 1975	1974
Sales outside the Group	42,492	37,291
Trading Profit	2,057	6,926
Interest	1,625	904
	432	6,022
Share of Profit of Associated Company	68	222
Profit before Taxation and Extraordinary Items	500	6,244
Taxation		
Group	132	2,615
Associated Company	54	84
	186	2,699
	314	3,545
Outside shareholders' interests in losses (profits) of subsidiaries	20	(23)
Profit after Taxation but before Extraordinary Items	334	3,522
Extraordinary Items	976	605
(Loss) Profit attributable to members of Parent Company	(642)	2,917
Dividends		
Preference Shares	18	18
Ordinary and 'A' Ordinary Non-Voting Shares		
Interim – 1.05p per share (1974 1.05p)	227	227
Final Proposed – 1.74p per share (1974 1.74p)	376	376
	603	603
	621	621
Transfer (from) to Retained Profit	(1,263)	2,296
Fixed Assets	7,766	8,548
Current Assets	22,972	23,936
Current Liabilities	12,603	14,707
Net Current assets	10,369	9,229
Net assets employed	18,135	17,777
Funds attributable to Equity	10,564	11,921

Notes:

1. The comparative figures for 1974 have been altered from those declared previously due to re-classification of certain items in accordance with the Statement of Standard Accounting Practice No. 6.

2. Trading profit is arrived at after taking account of the following:

	£000 1975	1974
Depreciation	800	1,049
Exchange gain arising on conversion of net assets of overseas subsidiaries	(153)	(214)
3. Extraordinary Items		
Expenses of major reorganisation and rationalisation of group activities (after tax relief of £70,000)	140	–
Losses in respect of termination of activities (after tax relief of £131,000)	238	–
Amount written off trade investment	515	623
Goodwill, arising on acquisition of subsidiaries, written off	122	–
Profit on redemption of debentures	(39)	(18)
	976	605

Dividend

An interim dividend of £227,000 (1.05p per share) was paid on 28th March 1975 on the Ordinary and 'A' Ordinary Non-Voting Shares. The Directors recommend for approval by the shareholders at the Annual General Meeting, the payment of a final dividend of £376,000 (1.74p per share) on the Ordinary and 'A' Ordinary Non-Voting Shares.

The dividends are paid without deduction of income tax and carry a tax credit. The total dividends payable for the year of 2.79p per share are, with tax credits available, equivalent to a gross dividend of 16.95% compared with 16.36% for the previous year.

Subject to confirmation at the Annual General Meeting to be held in Edinburgh on 24th July 1975 the final dividend will be payable on 1st October 1975 to those members on the register at close of business on 22nd August 1975.

Statement

The abrupt reversal of fortunes from a record profit in 1973/4 to a small operating profit and a loss after Extraordinary Items in 1974/5, which the Board very much regrets to have to report to shareholders, arose from four main causes:–

1. A transition from boom to slump of unprecedented speed and severity in worldwide demand for high quality woollen products.
2. A severe de-stocking movement throughout the trade that led to substantial falls in raw material prices.
3. A decision to reverse in considerable part a major programme of diversification, both geographical and in terms of product, which had been overtaken by the almost universal and rapid deterioration in trading conditions.
4. The expense of slimming down the enlarged organisation which had been developed to manage a worldwide expansion in activity.

The onset of the recession was masked by the three-day week of January, February and March 1974. On the return to full-time working the backlog of orders kept the Group's U.K. factories at full stretch through to July. When the extent of the recession in demand became progressively apparent, a drastic programme of retrenchment was embarked upon designed to contain prices, cut costs, reduce stocks and improve liquidity. This has involved the rationalisation of certain factories, the closure of others and, inevitably, a reduction in total employment which amounted to 16%. The financial figures have been struck after taking the full brunt of all these measures, the write-down of raw material stocks to the levels ruling at 31st March 1975 and after providing for the cost of withdrawing from some of the more recent investments and writing down others to current values.

A notable outcome of the vigorous action taken was a substantial reduction in short-term borrowings from a peak of approx. £10m in the Autumn of 1974 to a net figure of £5m at 31st March 1975. Strict control of cash usage continues to be exercised, with the object of securing a further reduction in short-term borrowings during the current year.

The Group is now trading at a modestly profitable level. There are signs of a little more confidence in the trades in which we operate but to restore the Group to the high profitability of recent years, from so severe a recession, obviously will take time. Meanwhile the Group, which is made up of many fine companies with good records and worldwide reputations, is concentrating on its traditional activities of processing raw materials, spinning, and knitting products of the highest class for distribution throughout the world.

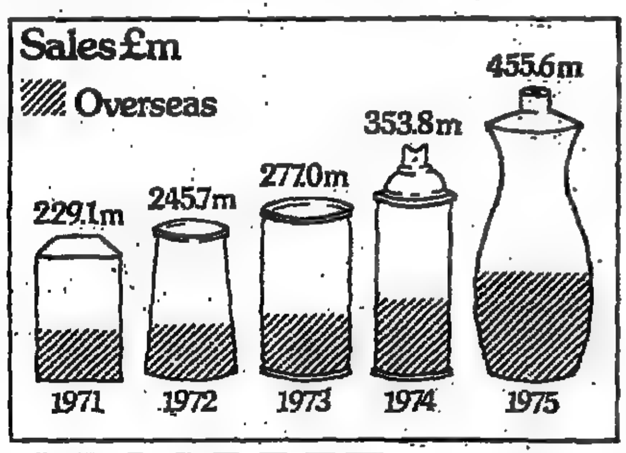
It is in the knowledge of what has been done to adjust the Group to the drastically changed conditions, and confidence in the inherent strength of our operations, that the decision has been taken to maintain the net dividend at the previous year's rate. The Board is mindful that during the 1970/1 recession the dividend was cut, but when profits surged upwards to their peak in 1973/4, statutory limitation prevented these being properly reflected in payments to shareholders. It is, therefore, a primary aim to maintain shareholders' income during any downswings in the cyclical industry in which we operate.

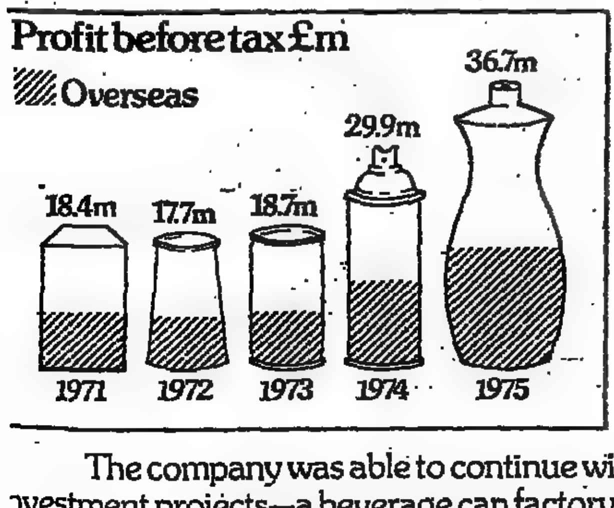
METAL BOX REPORTS

Results for 1974/5

Sales increased by 29% to £455 million; with UK sales ncreasing by 28% and overseas sales by 30%.

Profit after taxation rose by 21% to £19.2 million; pre-ax profits rising by £2.5 million to £20.8 million in the UK, and by £4.3 million to £15.9 million overseas.





The company was able to continue with two major nvestment projects—a beverage can factory at Vesthoughton, and a glass bottle factory in Nigeria. nevitably, some smaller projects have had to be delayed.

Inflation has reached such a peak in this country and n some territories in which we operate overseas, that noney no longer fulfils the function of a stable yardstick over me, and therefore substantial retained profits often fall hort of the sums required even to replace fixed assets and vorking capital.

The Industry Bill

In his Statement, the Chairman of Metal Box referred o some of the company's reservations about the Industry Bill as currently drafted.

While the Company fully supports the stated objectives of the Bill of promoting industrial efficiency and safeguarding mployment, the Bill provides little limitation on the cope of Government interference in industry, and planning agreements give Government a degree of control which could be not only unwarranted but positively harmful. In addition the required disclosure of information will be particularly harmful to a company like Metal Box, whose main (foreign-owned) competitors will be under no corresponding obligation to reveal information themselves.

Outlook

Of the £35.5 million that Metal Box spent on capital items last year (most of it in the U.K.) a sizeable proportion was allocated to the introduction of the new 2-piece can making process in this country; plans are now being made to extend this technology into some overseas subsidiaries.

The need to finance these investments, in order to maintain the company's leadership in its markets, and to be ready to meet the future demands of customers, is a major factor in the decision to make a rights issue in the London Market.

The general economic uncertainty makes it difficult to predict the trading results for the current year which, it is believed, will be one of consolidation in preparation for the next step forward. When this will occur, in today's conditions, is difficult to forecast; but Metal Box is confident that it will, and that the company will be well prepared.

Thanks to employees

We have just completed the first full year in which the human, commercial and financial repercussions of the oil crisis have made themselves felt. I should like to thank al employees for the way in which they have faced these problems and for their efforts and loyalty during the past year.

The Annual General Meeting will be held on Thursday, 17th July 1975 at the Dorchester, Park Lane, London W1 at 12.30 pm.

Metal Box Limited

Please send me a copy of Metal Box's Annual Reports and Accounts

Name________________________

Address________________________

THE SECRETARIAT, METAL BOX LIMITED,
QUEENS HOUSE, FORBURY ROAD, READING RG1 3JH

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INTERNATIONAL COMPANY NEWS + EURO MARKETS

U.S. and Germany to build Iran refinery

BY JAY PALMER

NEW YORK, June 24.

NATIONAL Iranian Oil Company has awarded Fluor Corporation of Los Angeles and Thyssen Rheinstahl Tecnik of West Germany a joint $750m. contract to build a refinery at Esfahan, Iran.

Fluor, which has recently completed building an Iranian refinery outside Tehran in partnership with Thyssen, said that the planned 200,000-barrels-a-day facility would produce a wide range of petro-chemical products for domestic Iranian consumption.

Although this contract award comes against a background of the Iranian Oil's increasing difficulty in finding a Western oil company partner to build an exporting refinery, the chances of this signalling a significant change in policy seems remote. This extra refinery, a Flour spokesman stressed, has been under discussion for some time and does not replace plans for exporting facilities.

Originally Iran made it clear that it wanted to build a series of exporting refineries in partnership with Western oil companies. However plans to do just this appear to have fallen through in virtually every case with first the Japanese and Belgians dropping out, the proposed NIOC-Shell deal shelved because of uncertainties over U.S. energy policy and, most recently, talks with a German consortium running into tax problems.

Shell to-day said that the Fluor deal in no way affected its longer-term hopes to reach some agreement with the NIOC.

The U.S. Congress started to consider legislation to limit U.S. imports of foreign petroleum products and discourage overseas investment by American oil companies. The Shell deal would have included guaranteed U.S. purchase of any joint venture refineries production.

Peugeot downgrades earnings forecast

BY RUPERT CORNWELL

PARIS, June 24.

PEUGEOT, THE French motor group scheduled to merge with the ailing Citroen next year, is deeply pessimistic over its short-term prospects and is lowering estimates for 1975 that were themselves formulated only two months ago.

In his speech to the annual general meeting of shareholders in Peugeot SA, the umbrella holding company for the various group interests supervisory Board chairman M. Francois Gautier warned that its forecasts of April now look "a little optimistic."

For 1975, the prospect was of a further drop in sales by volume and stagnation in operating results. In the first five months of this year the manufacturing subsidiary Automobiles Peugeot had suffered a decline in unit sales of 5.9 per cent., comprising falls of 12.9 per cent. in France and 0.6 per cent. abroad.

It is this slackening in exports, the mainstay of French carmakers in the grim year of 1974, that seems to particularly worry M. Gautier. The rich oil producer markets had now built up sales stocks, while the drop of the dollar against the French franc was damaging Peugeot's position elsewhere in the third world.

He also warned shareholders of the abrupt deterioration in the situation of its South American offshoots following new austerity measures brought in in certain countries—which, he said, might force Peugeot to take steps "that could influence our results."

The best he could offer was the hope of some improvement either at the end of this year or in early 1976. Should this prove correct, Peugeot would then be able to go ahead with the Citroen merger—despite the latter's unexpectedly heavy loss of Frs.1bn. (£110m.) in 1974.

Another, separate, reverse for the group recently has been the refusal of the motorcyclette company Motobecane to give Peugeot a seat on its Board, despite the speedy acquisition by open-market purchases of 18 per cent. of Motobecane equity.

As such, this decision represents a defeat in its battle, never officially admitted, with the State-owned Renault for the hand of Motobecane. For either group the latter would have been a valuable element in their efforts to diversify out of the hard hit car business, but it was Renault Motor Development that carried the day.

For the first time Peugeot has published a consolidated set of accounts. Last year produced a 17 per cent. advance to overall sales of Frs.14.6bn. of which Frs.12.2bn. was contributed by the automobile division. Proportionately, however, the group's cycle, steels and machine tool business grew much more rapidly.

Renault, meanwhile, has received the good news brought back after the peace-making trip of Industry Minister M. Michel d'Ornano that it will, after all, have responsibility for the 100,000-units-a-year car plant to be built near Oran.

Investments under the contract, which should be signed "very shortly" will total Frs.7bn., of which Frs.3bn. will go on on-site civil engineering. With this new agreement, the latest thunderclouds over what is always a delicate relationship between France and her former colony, have been dissipated, at least for the time being.

KLM profit unlikely

THE HAGUE, June 24.

RECENT developments make it unlikely KLM Royal Dutch Airlines will achieve the small operating profit originally budgeted for the year ending March 31, Dutch Transport Minister Tjerk Westerterp said. The previous year the company made a net loss of Fl.75m.

However, an improvement is expected for following years, Mr. Westerterp said. He was answering questions in Parliament on the Government's proposal to take Fl.200m. of new KLM preference shares, half paid up, increasing its stake in the airline to 78 per cent. from 70 per cent.

Th ecut of three flights a week in KLM's Amsterdam to New York services could reduce profits by Fl.5m., although much will depend on how much of the released capacity can be used elsewhere, Mr. Westerterp said

Direct operational measures and analyses of overheads have been taken to achieve better results, Mr. Westerterp said, adding although both short and long term prospects for aviation in general were not unfavourable KLM's policy is not aimed at maintaining its market share. The company's traffic growth in the next five years is expected to lag behind the industry as a whole, he added.

Reuter

St. Gobain, PUK profit warnings

BY ROBERT MAUTHNER

PARIS, June 24.

TWO OF France's largest industrial corporations—the glass-making to engineering giant, St. Gobain Pont-a-Mousson, and the metals group, Pechiney-Ugine Kuhlmann—to-day forecast a sharp fall in consolidated net profits in 1975.

St. Gobain chairman, Roger Martin, told shareholders at the company's AGM that, not only had the first half of this year been a very poor one but that the second half was unlikely to bring much of an improvement. Moreover, the situation in 1976 would remain difficult.

Overall group turnover in the current year is expected to be around Frs.22bn. (about £24m.), only slightly up on sales in 1974 of Frs.20.8bn. About 25 per cent. of the group's work force would soon be on short-time and retirements would be speeded up.

Already, the group's European window-glass, insulating, textile fibre, cardboard and paper plants were working at only about 70 per cent. of capacity, while the two French plumbing and heating materials factories had been working for several months at no more than 40 per cent. of capacity.

Group activities in West Germany, representing some 18 per cent. of turnover, had been extremely disappointing, with the recession wiping out most of the profits of the German subsidiaries. Italian operations were also causing concern, M. Martin said.

On the other hand, group results in the U.S., which accounts for 10 per cent. of turnover, Spain and Brazil were much more satisfactory.

A similar picture was painted by Pechiney Chairman, Pierre Jouven, in his annual statement to shareholders to-day. Consolidated sales for the first five months of this year were 5 per cent. down compared with the same period of 1974, or as much as 16 per cent. down, if no adjustments were made for variations in the copper price. In volume terms the situation was even more serious.

The fall in orders had led to a 20 to 25 per cent. reduction in the group's activities, but the cash-flow position was still healthy and would be sufficient to cover this year's investments. PUK was looking into the possibility of floating a Eurofranc loan, but this would be used principally to refinance existing debts. A final decision whether to take such a step would depend very much on market conditions, M. Jouven said.

At the PUK Board meeting to-day M. Pierre Jouven asked to be relieved of his position as chairman. The Board accepted this decision with regret and appointed him honorary chairman. He is succeeded by M. Philippe Thomas, while M. Jacques Desazars de Montgailhard was appointed managing director.

Centar submits proposal for uranium enrichment

BY GUY DE JONQUIERES

NEW YORK, June 24.

CENTAR ASSOCIATES, a joint venture of Atlantic Richfield and Electro-Nucleonics, has submitted to the U.S. Government a plan to build the first privately-owned uranium enrichment plant using the gas centrifuge process.

The proposal, which estimates the total cost of construction at $1bn., provides for a 25 per cent. equity investment by the two companies in the plant and calls for a temporary Government guarantee of bonds to be issued to finance the rest of the project.

The companies contemplate that if construction permits were granted by mid-1978, the first stage of the plant would go on stream on a pilot basis by 1981. If the first stage proved economically viable, it would be enlarged to an annual capacity sufficient to supply fuel for 30 atomic power stations by 1986.

The proposal was submitted to the Energy Research and Development Agency (ERDA) one of the successors of the now defunct Atomic Energy Commission. President Ford has said that he will ask Congress to approve the entry of private industry into the uranium enrichment business, together with certain Government guidelines designed to protect private interests against losses in the field.

So far, all enriched uranium produced in the U.S. has been processed using the gaseous diffusion method in plants originally built by the Government to supply explosive material for atomic weapons.

Egypt denies Ford project

CAIRO, June 24.

OFFICIALS AT the Egyptian Ministry of Trade and the Arab League said Ford Motor has made no specific proposals to Egypt on establishing a plant here. The semi-official daily Al Ahram had reported on Saturday that the U.S. automaker had proposed a $400m. assembly plant and asked to be removed from the Arab boycott of Israel blacklist.

Egyptian trade officials said Ford, which has a plant in Alexandria that has been out of operation for nine years, sent a group here in April for discussions on possible investments but no formal proposal was made.

A spokesman for the Arab League Boycott said it received no application from Ford for removal from the list.

AP-DJ

SELECTED EURODOLLAR BOND PRICES

MID-DAY INDICATIONS

STRAIGHTS	Bid	Offer
Amax 8½pc 1986	98½	99½
Ashland 8pc 1987	91	92
Austraswiss 8pc 1987	89½	90½
BFCE 9pc 1989	97½	98½
Borregaard 8½pc 1989	96	97
Carrier 8pc 1987	89½	90½
Conoco 8pc 1986	93½	94½
Consd. Foods 7½pc 1991	86½	87½
Cutler Hammer 8pc 1987	91	92
EIB 9½pc 1985	100½	101½
Esso 8pc 1986 Nov.	97½	98½
General Cable 8½pc 1987	85½	86½
General Motors 8½pc 1986	101½	102½
GTE 8½pc 1986	96½	97½
ICI 7½pc 1992	77	79
Nat. Grindlays 7½pc 1987	77	79
Pacific Light 8pc 1989	90½	91½
Prov. of Quebec 7½pc 1988	88	89
Quebec Hydro 8½pc 1989	97	98
Queensland 8½pc 1987	88	89
Scanraff 8½pc 1988	95	96
Shell 8pc 1986	96	97
Stand. Oil (Ind.) 8½pc 1988	99	100
Tenneco 7½pc 1987	86½	87½
Transocean 8pc 1986	97½	98½
TRW 8½pc 1986	95	96
Utah 8pc 1987	91½	92½
Volvo 9½pc 1985	99	100
NOTES		
Air France 9½pc 1982	101½	102½
Aust. Ind. Dev. 10½pc 1981	103	104
Barclays 7½pc 1975	97	99
Cie Ntl. du Rhone 10pc '82	102½	103½
Du Pont 7½pc 1978	101½	102½
Esso 7½pc 1978	100	101
General Motors 8½pc 1976	100½	101½
Marubeni 9½pc 1982	101	102
Nippon Fudosan 10½pc 1981	103	104
Skand. Enskilda 10½pc '81	103	104
Tenneco 7½pc 1979	97½	98½
Tokyo Caracao 10½pc 1981	103	104

Source: White Weld Securities.

CONVERTIBLES	Bid	Offer
American Express 4½pc '87	91	93
Ashland 5pc 1988	81	83
Beatrice Foods 4½pc 1992	95	97
Beatrice Foods 4½pc 1992	101	103
Borden 5pc 1992	89	91
Broadway Hale 4½pc 1987	72	74
Canon Camera 7½pc 1989	91	93
Carnation 4pc 1987	88	90
Chevron 5pc 1988	101	103
Dart 4½pc 1987	89	91
Eastman Kodak 4½pc 1988	116	118
Economic Labs 4½pc 1987	67	69
Eidai 7½pc 1989	98	100
Ford 6pc 1986	83	85
Ford 5pc 1988	74	76
Fuji 6½pc 1985	118	
General Electric 4½pc 1987	85	87
Gillette 4½pc 1987	80	82
Gould 5pc 1987	81½	83½
Halliburton 4½pc 1987	134	136
Harris 5pc 1992	66	68
Hitachi 6½pc 1984	104	106
Honeywell 6pc 1986	78	80
ITT 4½pc 1987	65	67
Komatsu 6½pc 1984	150	
J. Ray McDermott 4¾pc '87	149	151
Mitsui 8½pc 1989	147	
J. P. Morgan 4½pc 1987	130	132
Motorola 4½pc 1983	124	
Owens Illinois 4½pc 1987	85	87
J. C. Penney 4½pc 1987	84	86
Pioneer 6½pc 1989	135	140
Rand Selection 6½pc 1988	102	104
Rank 4½pc 1993	43	45
Revlon 4½pc 1987	99½	101½
Sperry Rand 4½pc 1987	96½	98½
Squibb 4½pc 1987	84	86
Toshiba 6½pc 1985	129	
Union Carbide 4½pc 1982	108	110
Warner Lambert 4½pc 1987	91½	93½
Warner Lambert 4½pc 1988	81½	83½
Xerox 5pc 1988	76	78

Source: Kidder, Peabody Securities.

IBM lifts dividend by 25 cents

By Jay Palmer

NEW YORK, June 24.

INTERNATIONAL Business Machines has lifted its second-quarter 1975 dividend by 25 cents to $1.75 a share.

Despite this improvement, Wall Street analysts remain convinced that the company's profits over this quarter (which will be released in about the second week of July) will be slightly down—or, at very best, unchanged.

The dividend rise is seen as a return to IBM's past practice of paying out to shareholders about 50 per cent. of its earnings. Recently, with Government dividend restrictions, this payout ratio has fallen back to under 45 per cent.

In the first quarter of this year, IBM reported virtually unchanged earnings of $2.95 a share and the company paid a dividend of $1.50. For this quarter, earnings of around $3.25 seem to be expected, with further slight growth anticipated later this year.

Huge cash-flow reserves, according to one analyst, will probably mean that the company's dividend will increase at a faster rate over the next 12 to 18 months.

Following this news, IBM's shares rose $1½ to $214½.

Helaba liquidity good

FRANKFURT, June 24.

HESSISCHE LANDESBANK Girozentrale's (Helaba) total write off needs for 1973 and 1974 of DM1.802bn. are covered and the bank's liquidity position is now good, chairman Heinz Sippel said.

The write off needs stemmed largely from actual losses and the risk of future losses in the bank's industrial and bank holdings and its building investments. They have been covered from Helaba's own earnings of DM352m. in the two years, already made cash payments of DM300m. from each of its joint guarantors—the state of Hessen and the Savings Banks Association of Hessen—and by a guarantee from each guarantor to cover half the remaining sum of DM850m., he said.

Herr Sippel, who was appointed Helaba chairman last January, said most of the loss making engagements were entered into between 1968 and 1971.

Sony beats forecast despite earnings fall

TOKY, June 24.

CONSOLIDATED NET profit of Sony fell to Y3.1bn. (6 cents per American Depositary Share), in the second quarter ended April 30 from Y3.4bn. (7 cents per ADS) a year earlier. Consolidated sales rose to Y89.9bn. from Y84.2bn.

The results were somewhat better than the company's initial expectations. Sony executives said in late March that second-quarter sales would probably be slightly below the April 1974 result. Unexpectedly strong demand for colour television sets in the Japanese domestic market appeared to explain the better performance.

Domestic sales totalled Y42.95bn. in the April quarter—up 11 per cent. from a year earlier. Overseas sales rose 3 per cent. to Y46.95bn.

Sony's pre-tax income fell only 2.2 per cent. in the second quarter, but higher tax payments (stemming in part from a corporate income surtax imposed in the wake of the 1973 oil crisis) produced a larger decline in net results. Profit was aided by a turnaround in the subsidiaries' performance. Equity earnings here added Y306m. to net income in the April term, against a loss of Y325m. in the first quarter and a loss of Y112m. a year earlier.

For the first half of the current fiscal year, Sony's consolidated profit fell to Y8.77bn. (17 cents per ADS) from Y14.41bn. (30 cents per ADS) a year earlier. First half consolidated sales fell to Y193.18bn. after Y194.83bn. a year earlier.

Noboru Yoshii, senior managing director, is confident that Sony's sales in the current fiscal year ending October 31 will equal last year's Y397bn. Net profits are expected to be a little less than 5 per cent. on sales, down from 6.3 per cent. in 1974.

Yoshii said that Sony's current profit margin of about 4.5 per cent. on sales is "reasonable," but that the company is aiming for 5 per cent. to 6 per cent. on a long-term basis.

Japanese consumer spending is still apparently fairly weak at present, but the momentum is upward. Japanese disposable income is increasing rapidly, and in recent weeks, Sony has noticed a slight increase in demand for higher-priced colour televisions. The upturn in domestic television demand in Japan in Sony's second quarter centred on lower-priced table models, which currently account for 25-30 per cent. of output.

The company also noticed a jump in U.S. television sales during the second week of May, just after U.S. taxpayers began receiving government rebates. It appears a significant amount of those rebates are being spent on consumer durables.

A.P./D.J.

State may take over Spitzbergen Coal

BY FAY GJESTER

OSLO, June 24.

A 100 per cent. State take-over of the Norwegian company Spitzbergen Coal has now emerged as a possibility, following the Government's plan to buy shipowner Hilmar Reksten's shares in the company. No final decision is likely, however, until the autumn.

Purchase of Reksten's 6,925 shares—currently being negotiated as part of a larger purchase by the State of Reksten's shareholdings in several Norwegian companies—would give the Government a majority in Spitzbergen Coal. It already holds 9,600 shares—one third of the equity—and is anxious to secure a controlling stake.

Two of the largest shareholders — Bergen Shipowners, Johan Horn and P. Westfal-Larsen—claimed earlier this month that they have a private agreement with Reksten giving them first refusal of his shares. They said they would exercise this right in order to keep the Government from getting a majority. Later, they said they would consider relinquishing their alleged rights if the Government would agree to buy out all private shareholders — since they were not interested in retaining their stake in the company if the Government got a majority. In this case, however, the purchase price should be based not on the present market value of the shares but on the company's total assets on Spitzbergen—ranging from company-owned housing to estimated rich coal deposits in areas where Spitzbergen Coal holds mining rights.

A meeting to discuss the matter was held here yesterday between the Ministry of Industry officials and representatives of Horn and Westfal-Larsen. A Press statement afterwards said the Government would consider making an offer to all the company's shareholders, but no decision would be taken before October 1. Moreover, any such offer would be subject to approval by the Storting (Parliament).

AUTOSTRADE 5½% Bonds 1972/78

BOND DRAWING

***S. G. Warburg & Co. Ltd.**, announce that the redemption instalment of U.S. $1,770,000 due 15th July, 1975 has been met by purchases in the market to the nominal value of U.S. $380,000 and by a drawing of Bonds to the nominal value of U.S. $1,390,000.*

The distinctive numbers of the Bonds, drawn in the presence of a Notary Public, are as follows:—

5	12	18	26	33	40	47	53	61	67
74	82	88	96	103	108	117	125	133	142
162	180	186	193	205	211	220	226	314	321
327	335	341	349	357	363	375	382	389	410
416	423	429	636	644	651	658	664	671	678
686	693	698	826	833	840	890	896	907	913
924	932	938	987	993	999	1007	1013	1022	1028
1035	1042	1048	1056	1063	1086	1101	1107	1115	1122
1128	1136	1142	1150	1156	1163	1171	1177	1184	1191
1198	1206	1251	1268	1285	1301	1311	1317	1324	1330
1337	1345	1352	1359	1365	1384	1403	1416	1422	1429
1436	1460	1467	1473	1480	1487	1495	1502	1508	1514
1522	1529	1537	1544	1549	1557	1564	1570	1579	1584
1592	1598	1605	1613	1619	1626	1633	1640	1648	1653
1661	1668	1675	1682	1689	1695	1701	1710	1719	1726
1732	1738	1766	1782	1796	1815	1843	1858	1866	1872
1896	1911	1919	1930	1941	1948	1955	1962	1969	1976
1983	1989	1997	2132	2143	2150	2156	2164	2171	2176
2185	2191	2199	2214	2220	2228	2235	2250	2257	2263
2270	2277	2285	2292	2300	2306	2326	2332	2340	2348
2355	2363	2387	2392	2400	2407	2413	2422	2427	2435
2442	2548	2556	2561	2569	2577	2583	2591	2596	2603
2612	2618	2625	2632	2638	2646	2653	2660	2667	2674
2680	2687	2695	2702	2709	2715	2722	2729	2735	2744
2751	2756	2764	2770	2779	2807	2812	2820	2826	2834
2842	2847	2855	2861	2868	2876	2882	2901	2908	2928
2936	2942	2951	2956	2963	2971	2977	2999	3009	3016
3036	3047	3128	3136	3143	3189	3197	3204	3211	3218
3224	3232	3239	3245	3253	3259	3266	3274	3280	3288
3294	3301	3308	3315	3323	3329	3336	3343	3349	3357
3364	3371	3379	3404	3411	3419	3425	3433	3439	3466
3506	3514	3521	3527	3534	3541	3648	3655	3661	3668
3676	3683	3690	3696	3707	3714	3722	3729	3735	3742
3748	3757	3764	3769	3777	3783	3791	3798	3805	3812
3818	3825	3832	3839	3847	3853	3860	3867	3874	3883
3888	3895	3902	3909	3916	3922	3930	3936	3944	3951
3957	3964	3971	3979	3986	3991	3999	4005	4014	4021
4027	4034	4040	4047	4056	4062	4091	4097	4105	4113
4119	4126	4132	4177	4186	4194	4201	4207	4214	4221
4228	4236	4241	4249	4256	4263	4276	4281	4289	4296
4303	4375	4400	4407	4414	4420	4430	4436	4444	4449
4456	4464	4471	4478	4484	4491	4499	4505	4513	4519
4526	4533	4540	4547	4552	4561	4568	4575	4582	4588
4596	4603	4609	4617	4623	4631	4637	4644	4652	4658
4665	4672	4678	4687	4693	4700	4708	4713	4720	4728
4735	4743	4748	4755	4762	4770	4777	4783	4790	4797
4804	4812	4818	4825	4831	4839	4866	4874	4880	4906
4914	4942	4948	4954	4961	4968	4975	4983	4990	4996
5003	5009	5018	5025	5030	5038	5044	5052	5060	5065
5073	5079	5086	5094	5099	5108	5114	5121	5129	5135
5141	5149	5156	5164	5186	5192	5200	5207	5214	5221
5228	5234	5250	5257	5288	5299	5304	5313	5320	5339
5346	5351	5359	5395	5401	5409	5415	5422	5442	5449
5456	5461	5469	5476	5485	5496	5503	5512	5541	5546
5553	5560	5568	5576	5582	5588	5595	5602	5609	5617
5623	5629	5637	5643	5652	5659	5664	5672	5678	5685
5694	5699	5707	5801	5808	5826	5832	5840	5846	5853
5861	5866	5874	5881	5888	5896	5901	5906	5916	5923
5930	5936	5943	5965	5987	5993	5999	6007	6014	6022
6028	6034	6042	6048	6056	6064	6069	6076	6083	6090
6099	6104	6123	6195	6201	6210	6218	6242	6248	6254
6270	6283	6290	6297	6304	6324	6332	6355	6360	6369
6375	6382	6390	6395	6403	6410	6417	6425	6430	6437
6444	6452	6460	6466	6472	6539	6546	6554	6561	6568
6574	6581	6588	6596	6603	6608	6681	6689	6696	6818
6824	6832	6839	6847	6854	6859	6867	6874	6881	6889
6895	6902	6909	6950	6975	6981	6988	6998	7004	7012
7018	7027	7033	7039	7047	7053	7096	7104	7110	7118
7124	7131	7140	7151	7158	7165	7172	7177	7185	7193
7200	7207	7213	7220	7227	7234	7242	7248	7255	7262
7268	7277	7283	7291	7297	7303	7311	7318	7325	7333
7338	7345	7352	7360	7368	7373	7380	7387	7394	7403
7408	7415	7322	7429	7436	7443	7450	7456	7464	7471
7478	7485	7491	7499	7506	7512	7519	7525	7534	7681
7687	7695	7700	7707	7716	7722	7730	7735	7743	7750
7757	7764	7770	7777	7784	7791	7799	7805	7812	7818
7826	7833	7841	7847	7853	7861	7868	7874	8002	8008
8016	8023	8029	8037	8043	8050	8056	8064	8072	8077
8085	8093	8099	8105	8112	8119	8128	8134	8141	8148
8154	8161	8169	8176	8203	8210	8218	8224	8231	8237
8245	8252	8259	8266	8278	8284	8291	8299	8306	8359
8367	8373	8380	8388	8394	8402	8409	8414	8422	8429
8437	8444	8449	8457	8463	8471	8477	8484	8492	8498
8505	8513	8519	8526	8533	8540	8547	8555	8561	8568
8575	8581	8589	8645	8653	8698	8704	8712	8719	8724
8733	8739	8899	8906	8911	8920	8926	8933	8941	8946
8954	8961	8968	8976	8981	8988	8995	9003	9011	9017
9023	9030	9037	9045	9052	9058	9064	9072	9079	9087
9094	9099	9107	9114	9121	9129	9134	9142	9149	9155
9163	9168	9177	9183	9190	9198	9203	9210	9218	9225
9233	9239	9245	9252	9260	9267	9274	9281	9286	9294
9302	9309	9316	9321	9329	9336	9343	9354	9360	9368
9375	9382	9389	9395	9403	9410	9415	9514	9520	9528
9536	9541	9549	9555	9562	9570	9577	9584	9590	9625
9633	9640	9646	9653	9689	9722	9728	9736	9742	9749
9793	9800	9807	9813	9821	9828	9835	9842	9847	9856
9863	9869	9877	9882	9890	9897	9904	9912	9918	9924
9931	9939	9947	9953	9959	9966	9973	10121	10128	10135
10141	10148	10155	10163	10170	10175	10183	10190	10197	10425
10430	10438	10445	10451	10459	10464	10473	10480	10486	10494
10500	10506	10515	10521	10529	10535	10542	10549	10556	10563
10570	10577	10584	10590	10596	10605	10612	10619	10625	10632
10640	10647	10654	10660	10667	10673	10682	10689	10694	10702
10708	10716	10723	10729	10737	10743	10751	10757	10765	10772
10778	10785	10792	10799	10807	10813	10820	10827	10834	10901
10906	10914	10920	11241	11249	11255	11262	11268	11276	11283
11291	11297	11303	11311	11318	11324	11333	11338	11346	11353
11359	11367	11373	11380	11388	11394	11402	11407	11415	11423
11429	11436	11442	11449	11458	11464	11471	11478	11484	11491
11499	11506	11513	11519	11526	11533	11541	11547	11555	11561
11567	11575	11581	11590	11595	11602	11610	11616	11624	11630
11640	11654	11670	11679	11684	11692	11699	11705	11728	11734
11741	11749	11755	11763	11769	11776	11784	11790	11797	11804
11811	11962	11984	11991	12098	12105	12112	12118	12125	12133
12180	12187	12193	12200	12206	12215	12282	12372	12380	12386
12394	12401	12435	12442	12448	12456	12463	12470	12477	12483
12491	12498	12504	12511	12518	12525	12533	12539	12547	12552
12560	12567	12574	12589	12595	12603	12609	12617	12624	12630
12637	12644	12652	12659	12664	12672	12678	12687	12694	12700
12707	12713	12720	12729	12735	12743	12748	12755	12763	12770
12790	12795	12802	12810	12816	12824	12834	12841	12850	12868
12875	12883	12889	12896	12903	12910	12920	12951	12957	12964
12972	12978	12986	12992	13439	13446	13452	13461	13468	13473
13481	13487	13495	13503	13508	13516	13522	13529	13537	13549
13551	13557	13564	13571	13577	13585	13592	13599	13605	13878
13885	13891	13916	13923	13931	13938	13943	13951	13957	13966
13973	13978	13986	13992	13999	14010	14016	14063	14069	14076
14084	14091	14097	14123	14131	14139	14160	14168	14173	14181
14189	14195	14203	14208	14215	14224	14230	14237	14243	14250
14258	14265	14272	14278	14285	14292	14299	14307	14314	14320
14327	14334	14342	14349	14357	14364	14370	14377	14389	14398
14403	14410	14418	14424	14432	14438	14445	14453	14459	14466
14473	14479	14488	14494	14501	14508	14515	14521	14529	14536
14543	14550	14556	14563	14571	14577	14585	14592	14598	14605
14612	14620	14627	14632	14640	14646	14655	14662	14667	14675
14681	14688	14697	14702	14710	14716	14723	14731	14738	14744
14751	14758	14766	14772	14779	14786	14793	14800	14807	14814
14819	14828	14835	14842	14849	14854	14864	14872	14879	14886
14891	14899	14905	14913	14921	14927	14933	14940	14952	14961
14967	14980	14986	14994	15002	15008	15015	15063	15070	15078
15084	15090	15097	15105	15113	15119	15126	15132	15139	15148
15154	15161	15167	15174	15181	15315	15339	15345	15353	15361
15367	15374	15380	15387	15396	15402	15410	15415	15422	15430
15437	15456	15522	15529	15536	15544	15551	15557	15564	15571
15578	15586	15592	15599	15606	15613	15620	15627	15634	15640
15647	15655	15681	15690	15695	15702	15710	15716	15723	15729
15737	15745	15754	15761	15767	15774	15782	15789	15796	15801
15809	15816	15824	15831	15837	15844	15851	15858	15877	15887
15895	15902	15909	15919	16011	16018	16025	16032	16039	16045
16053	16060	16067	16074	16080	16088	16095	16101	16109	16115
16122	16130	16136	16144	16150	16158	16164	16171	16179	16185
16192	16200	16205	16213	16220	16227	16235	16240	16247	16255
16262	16268	16275	16282	16289	16297	16303	16310	16317	16323
16331	16338	16346	16352	16358	16366	16372	16379	16387	16393
16401	16407	16414	16423	16428	16435	16442	16449	16457	16462
16470	16477	16484	16491	16497	16504	16512	16519	16526	16532
16539	16545	16554	16561	16568	16574	16580	16588	16596	16602
16609	16615	16623	16630	16637	16645	16650	16657	16665	16671
16680	16685	16692	16700	16706	16713	16720	16727	16733	16741
16748	16754	16762	16768	16776	16783	16789	16796	16803	16811
16818	16824	16832	16837	16845	16853	16859	16867	16873	16879
16904	16910	16918	16923	16930	16938	16949	16956	16964	16971
16978	17017	17024	17031	17037	17045	17051	17059	17066	17072
17079	17086	17093	17100	17108	17114	17121	17128	17134	17143
17149	17155	17163	17169	17177	17185	17190	17198	17218	17225
17233	17239	17247	17253	17260	17268	17273	17281	17288	17295
17302	17308	17315	17323	17330	17336	17344	17350	17657	17665
17671	17680	17687	17692	17700	17706	17715	17727	17732	17740
17746	17753	17822	17827	17835	17841	17848	17856	17862	17869
17876	17883	17891	17897	17904	17911	17978	17985	17992	18010
18017	18025	18032	18039	18046	18051	18060	18067	18074	18441
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45009	45015	45022	45030	45035	45062	45069	45076	45087	45092
45099	45106	45113	45120	45127	45134	45141	45148	45155	45161
45169	45195	45204	45213	45221	45227	45233	45241	45248	45254
45261	45268	45276	45283	45289	45297	45302	45310	45318	45324
45332	45337	45344	45353	45359	45366	45372	45379	45387	45394
45401	45407	45414	45421	45428	45436	45442	45449	45455	45463
45470	45477	45484	45490	45497	45505	45511	45520	45525	45532
45540	45546	45553	45560	45567	45575	45581	45588	45594	45602
45609	45616	45623	45630	45636	45644	45651	45658	45664	45671
45678	45686	45693	45699	45707	45713	45719	45727	45734	45804
45811	45818	45825	45831	45839	45846	45853	45860	45866	45874
45881	45887	45894	45901	45909	45916	45922	45930	45947	46011
46020	46026	46034	46039	46046	46054	46061	46068	46102	46109
46116	46125	46132	46138	46182	46191	46197	46204	46211	46219
46225	46232	46239	46246	46253	46259	46268	46274	46280	46288
46294	46303	46309	46315	46323	46329	46338	46347	46352	46360
46366	46373	46412	46417	46425	46431	46439	46446	46451	46460
46466	46473	46482	46521	46527	46533	46541	46548	46555	46561
46593	46620	46628	46643	46650	46656	46663	46670	46678	46685
46690	46698	46705	46712	46720	46725	46733	46739	46746	46754
46761	46768	46774	46781	46789	46795	46801	46809	46816	46824
46830	46837	46843	46851	46858	46865	46872	46878	46885	46893
46900	46927	46932	46947	46956	46962	46969	46975	46993	47000
47006	47029	47034	47043	47058	47065	47072	47078	47085	47101
47107	47115	47188	47204	47215	47222	47233	47241	47247	47254
47261	47268	47274	47282	47289	47295	47303	47309	47317	47324
47330	47338	47344	47352	47358	47365	47373	47379	47386	47392
47419	47427	47433	47448	47454	47462	47469	47484	47499	47554
47594	47628	47660	47667	47673	47680	47687	47699	47707	47714
47721	47727	47734	47742	47750	47758	47764	47775	47782	47788
47835	47858	47864	47872	47881	47889	47901	47914	47925	47953
47960	47965	47992	48000	48005	48013	48021	48027	48034	48040
48047	48056	48062	48069	48076	48982	48989	48997	49018	49024
49031	49047	49143	49151	49157	49165	49170	49177	49185	49192
49200	49205	49212	49220	49226	49334	49340	49347	49355	49413
49420	49427	50004	50011	50018	50025	50032	50039	50046	50053
50060	50066	50073	50081	50088	50095	50101	50109	50115	50134
50142	50148	50156	50162	50168	50177	50183	50190	50198	50203
50503	50509	50517	50525	50532	50539	50546	50553	50562	50567
50574	50581	50588	50595	50603	50609	50615	50623	50630	50637
50643	50650	50658	50665	50672	50679	50684	50693	50699	50706
50714	50719	50726	50734	50741	50749	50754	50761	50768	50776
50784	50789	50796	50843	52006	52012	52019	52026	52033	52041
52048	52054	52061	52067	52075	52083	52089	52096	52122	52130
52137	52142	52151	52157	52165	52172	52177	52185	52192	52199
52207	52213	52220	52226	52243	52251	52257	52265	52270	52277
52286	52292	52299	52305	52312	52320	52327	52334	52341	52347
52354	52361	52369	52375	52382	52388	52396	52403	52410	52418
52423	52430	52438	52444	52453	52458	52465	52473	52479	52486
52493	52500	52508	52514	52521	52527	52535	52542	52549	52556
52563	52569	52577	52584	52591	52597	52604	52611	52619	52625
52632	52640	52646	52652	52661	52667	52675	52681	52687	52695
52790	53047	53055	53060	53068	53074	53082	53090	53095	53102
53109	53116	53125	53130	53137	53146	53153	53207	53212	53223
53230	53237	53245	53251	53258	53265	53272	53278	53326	53333
53339	53347	53363	53362	53368	53374	53382	53388	53395	53403
53409	53417	53423	53430	53438	53444	53451	53458	53465	53473
53478	53486	53493	53500	53555	53561	53568	53845	53852	53859
53866	53873	53878	53887	53894	53941	53946	53993	54165	54172
54179	54187	54193	54313	54444	54449	54456	54463	54470	54479
54485	54491	54542	54549	54558	54564	54572	54577	54584	54592
54599	54607	54612	54619	54626	54633	54641	54647	54654	54660
54668	54675	54682	54689	54695	54703	54710	54716	54724	54730
54738	54745	54751	54758	54765	54772	54780	54786	54794	54799
54807	54815	54821	54828	54834	54841	54850	54856	54863	54869
54876	54883	54890	54898	54903	54911	54918	54925	54932	54939
54946	54953	54960	54967	54973	54981	54988	54994	55002	55008
55016	55023	55029	55037	55043	55050	55058	55097	55106	55112
55119	55127	55132	55139	55147	55154	55160	55167	55174	55181
55189	55195	55220	55228	55235	55242	55249	55255	55264	55271
55279	55286	55293	55299	55306	55313	55320	55328	55335	55341
55348	55354	55363	55370	55375	55383	55391	55400	55408	55438
55449	55455	55462	55470	55477	55485	55490	55497	55505	55511
55520	55525	55532	55540	55546	55553	55559	55567	55574	55581
55588	55594	55601	55609	55616	55626	55636	55643	55652	55658
55678	55684	55693	55698	55706	55713	55719	55727	55733	55740
55748	55754	55794	55840	55848	55856	56019	56026	56031	56039
56046	56052	56061	56066	56074	56081	56087	56095	56101	56168
56176	56182	56190	56195	56202	56211	56217	56224	56231	56237
56246	56252	56259	56266	56272	56279	56286	56294	56301	56308
56314	56321	56328	56351	56359	56365	56371	56380	56386	56394
56400	56406	56415	56421	56428	56436	56441	56449	56455	56463
56471	56476	56509	56515	56523	56528	56535	56544	56550	56557
56563	56570	56577	56585	56592	56599	56605	56612	56619	56627
56633	56641	56647	56654	56661	56667	56676	56802	56808	56816
56822	56830	56838	56843	56851	56857	56864	56872	56878	56886
56892	56899	56907	56912	56920	56927	56934	56942	56947	56954
57002	57009	57016	57023	57029	57036	57044	57051	57058	57064
57070	57079	57086	57093	57100	57105	57113	57120	57127	57135
57140	57148	57154	57161	57170	57175	57182	57189	57196	57204
57209	57217	57224	57231	57238	57245	57251	57258	57266	57273
57280	57287	57292	57301	57308	57314	57322	57327	57335	57343
57349	57357	57362	57369	57377	57384	57392	57397	57404	57412
57418	57427	57433	57455	57463	57469	57476	57484	57490	57497
57504	57511	57518	57526	57532	57539	57546	57552	57560	57567
57574	57581	57587	57595	57602	57608	57616	57622	57630	57637
57642	57651	57657	57664	57671	57677	57685	57691	57699	57706
57712	57719	57726	57733	57741	57748	57754	57761	57768	57774
57783	57790	57796	57803	57813	57862	57869	57874	57882	57888
57896	57903	57910	57917	57923	57931	57938	57944	57952	57958
57965	57973	57979	57987	57993	58000	58006	58014	58021	58043
58051	58059	58065	58072	58078	58085	58093	58100	58107	58112
58120	58147	58155	58162	58180	58187	58194	58200	58221	58227
58234	58240	58247	58255	58262	58269	58275	58282	58290	58296
58304	58310	58317	58324	58331	58338	58344	58352	58359	58366
58373	58379	58386	58394	58401	58408	58414	58421	58428	58435
58443	58449	58457	58463	58469	58478	58484	58491	58498	58504
58512	58519	58526	58534	58539	58546	58553	58561	58569	58574
58581	58588	58595	58603	58609	58616	58622	58630	58637	58644
58663	58674	58694	58705	58712	58719	58725	58732	58739	58747
58754	58760	58768	58773	58797	58805	58811	58817	58824	58832
58840	58846	58853	58859	58866	58874	58881	58888	58893	58901
58908	58916	58923	58928	58936	58943	58950	58958	58964	58971
58978	58984	58992	58999	59005	59013	59019	59027	59033	59041
59048	59054	59062	59068	59075	59083	59089	59096	59103	59110
59118	59123	59137	59278	59285	59292	59298	59305	59312	59320
59327	59333	59340	59346	59355	59362	59367	59375	59381	59389
59396	59403	59410	59416	59423	59430	59438	59445	59451	59458
59465	59472	59481	59486	59493	59500	59507	59514	59521	59528
59534	59542	59549	59555	59563	59569	59577	59584	59589	59597
59603	59612	59619	59625	59632	59638	59645	59654	59660	59668
59673	59680	59689	59695	59702	59708	59715	59723	59729	59737
59743	59750	59757	59764	59771	59777	59785	59792	59799	59806
59812	59820	59827	59834	59841	59847	59854	59862	59868	59876
59882	59890	59895	59903	59944	59970	59977	59984	59991	59998

On 15th July, 1975, there will become due and payable upon each Bond drawn for redemption, the principal amount thereof, together with accrued interest to said date at the office of:—

S. G. Warburg & Co. Ltd., 30, Gresham Street, London, EC2P 2EB.,

or with one of the other paying agents named on the Bonds.

Interest will cease to accrue on the Bonds called for redemption on and after 15th July, 1975. Bonds so presented for payment must have attached all coupons maturing subsequently to 15th July, 197⁵.

The following Bonds previously drawn for redemption on dates given below have not yet been presented for payment.

15th July, 1972

1202	1351	11678	12285	14439	15435	17754	18951	26122	26165
27808	30617	30793	31012	31055	33604	33867	33986	34081	34418
34528	35275	35496	36287	42130	45164	47092	47237	47322	47364
53202	53837	58206							

15th July, 1973

424	1865	1932	4302	5356	5463	11672	11691	14449	14857
15335	15428	15657	17756	20173	22887	27116	29318	30636	33371
33509	33602	33861	33880	33994	34260	34279	34297	34316	35503
36266	36284	36504	36858	39444	39860	39974	41119	41979	42134
43413	44667	46119	46283	46474	46627	47080	47240	47258	47276
47370	47731	47870	47888	47913	53340	58201	58677		

15th July, 1974

309	384	904	925	1207	1297	1348	1424	1764	1814
1845	1860	1894	1920	2212	2298	3007	4092	4100	4108

15th July, 1974 continued

4117	4125	4273	4282	4290	4510	4520	4528	4989	4998
5006	5015	5024	5040	5048	5057	5298	5305	5315	5344
5352	5462	5471	5500	5893	5910	5920	6098	6105	7677
8260	9783	10466	10474	10900	11667	11676	11685	11987	12280
12521	12529	12788	12852	12872	12890	14338	14437	14445	14557
14956	15312	15340	15348	15425	15434	15918	17743	17751	18011
18838	19019	20105	20129	20138	20172	21376	21385	21402	21640
21657	21709	22139	22882	22891	23324	23333	23342	23349	23357
23366	23375	23384	23392	23401	23409	23478	23485	23495	23503
23512	23668	23676	24395	25790	26116	26125	26133	26141	26158
26361	26878	27098	27107	27115	27127	27255	27277	27287	27381
27652	27825	28465	28672	28650	28706	28714	28723	28731	29317
29612	30824	30832	32859	32867	33503	33545	33595	33605	33630
33709	33794	33811	33820	33828	33837	33845	33862	33871	33879
33888	33990	34074	34101	34109	34255	34264	34273	34282	34289
34298	34306	34315	34328	34340	34349	34357	34366	34412	34421

15th July, 1974 continued

34430	35068	35469	35500	35532	35620	35745	36055	36064	36103
36179	36187	36256	36263	36272	36280	36306	36399	36407	36555
36599	36609	36634	36727	36768	36802	36857	36866	36874	36884
36892	37005	37014	37023	39431	39845	39865	39947	39955	40354
40766	41123	41131	41470	41879	41973	41985	42096	42471	43417
43701	43710	44011	44469	44661	44733	45074	45208	46104	46130
46187	46198	46284	46292	46336	46418	46427	46435	46444	46452
46462	46470	46478	46537	46545	46553	46563	46942	46951	46965
46977	47002	47027	47036	47045	47077	47086	47210	47219	47239
47248	47256	47265	47273	47316	47325	47334	47342	47350	47359
47367	47376	47463	47591	47720	47728	47748	47774	47868	47895
47902	47917	47956	47981	47989	50057	50798	52005	52014	53214
53344	53352	53825	53833	55222	55231	55248	56350	57150	57432
58054	58062	58149	58205	58678	58775				

30, Gresham Street, London, EC2P 2EB.

WALL STREET + OVERSEAS MARKETS + FOREIGN EXCHANGES

Further rise on economic hopes

BY OUR WALL STREET CORRESPONDENT

NEW YORK, June 24.

THE RECENT advance made further headway on Wall Street to-day, with the flow of economic statistics for May supporting the view that the U.S. recession is at, or near, its low point.

Best levels were not always held, however. After rising another 3.68 to 873.51, the Dow Jones Industrial Average partially reacted to 869.006, for a net gain of 4.23. The NYSE rose a further 34 cents to $50.28, while advances led declines by a two-to-one majority after a five-to-one advantage. Trading volume expanded 5.9m. shares to 26.62m.

Profit-taking on gains of recent sessions was encouraged by continuing signs that the recovery might not be forceful. Chrysler has plans to offer new rebates, indicating it is concerned about sales, and there were reports that growth in Retail Sales has fallen short of expectations.

Analysts also noted that the Stock Market megan to pull back following the report of a record U.S. budget deficit in May.

Pittston added another $2 at $75¾ on its bullish earnings projection.

Helme Products jumped $3½ to $13⅞ on General Cigar's, unchanged at $14¼, cash offer of $13 a share.

Motors were mixed after the industry reported lower mid-June sales of new cars.

Sony were firm in heavy trading, despite lower earnings for the second quarter and first half-year.

Gulf and Western gained $⅞ to $37⅞, but Kayser-Roth declined $1⅛ to $12⅞. G. and W. completed arrangements to boost its holdings in K-R to 70 per cent. and it plans to propose a full merger.

StandardOil of Ohio gained $1⅝ to $74 and Atlantic Richfield put on $2 to $104½.

Libby McNeill and Libby dropped $1⅜ to $7 after the Exchange said it was reviewing the firm's listing status concerning the number of shares in public hands.

Teledyne fell $1⅜ to $22¼.

The American SE Market Value Index was up 0.04 to 91.48, with advances outnumbering declines by 373 to 290.

OTHER MARKETS

Canada still mixed

Canadian Stock Markets continued mixed in moderate trading yesterday.

The Industrial Share Index held unchanged at 187.59, while Western Oils rose 1.46 to 197.00, but Golds eased 0.73 to 404.73 and Base Metals shed 0.10 to 73.55.

Sony gained $1¼ to $19⅛, despite disappointing earnings. Crown Life Insurance were up $1½ to $61⅞.

PARIS—French shares irregular in quiet trading. A decrease in the day-to-day Money Market rate to 7⅛ per cent. from 7¼ per cent. was offset by a statement by the chairman of the French Chamber of Commerce that recent Government measures to stimulate the economy were insufficient.

Banks, Holdings, Motors, Buildings, Mechanicals, Stores and Electricals were mixed, while Foods and Publishings did well. Metals, Oils, Chemicals and Textiles eased.

BRUSSELS—Mostly higher in lively trading.

Among improved Steels, **Cockerill** rose Frs.26 to 1,146. In generally steady Metals, **Union Miniere** gained Frs.18 to 1,380. **Interbrabant** advanced Frs.20 to 1,470 in firm Utilities.

Chemicals were steady to higher. **Tessenderlo** were up Frs.30 to 1,480.

GERMANY—Prices fell in dull and sporadic trading on lack of new orders.

AEG dropped DM1.70 to 69.8 after announcing large losses and expected nil dividend for 1975.

Some Banks, Machinery shares and Stores made small gains but larger losses predominated.

BMW lost DM1.90, BASF dipped DM2.4 to 122.6 to lead Chemicals lower.

In Steels, **Mannesmann** fell DM5.50 to 284.

On the Bond Market, Public Loans shed up to DM0.20 on little buying interest, partly due to the slightly firmer German Call Money rates. The authorities bought around DM5m. nominal worth of stock from the market.

AMSTERDAM—Market generally gained some ground in very quiet conditions, with small demand in a thin market sufficient to up prices.

AKZO rose Fls.0.80 to 39.80 and **Royal Dutch** jumped Fls.1.20 to Fls.90.90.

Most Banks joined in the general increase as did local Industrials.

Shippings and Insurances were mixed.

State Loans were very firm.

VIENNA — Generally steady, with leading Banks and most "quality" shares little changed.

COPENHAGEN — Narrowly mixed in moderate dealings.

MILAN—Marginal gains after a promising opening in the first upward movement following the sharp losses suffered in the past few days.

SWITZERLAND — Swiss issues higher in fairly active trading.

Banks and Financials were steady, Insurances and Chemicals firmed, while Industrials declined.

Landis Gyr shed SwFrs.20 to 600.

State Bonds little changed.

In the Foreign sector, actively traded Dollar stocks were generally well disposed, with **Burroughs, Dupont and IBM** each sharply higher. Dutch Internationals were very steady, while Germans were barely maintained.

OSLO—Banks and Industrials were steadier. Insurances were quiet, while Shippings were firm.

HONG KONG—Mostly lower in light trading.

Hong Kong Bank were down 10 cents to $HK16.50, Hong Kong Land 10 cents to $HK8.85, Hutchison 2½ cents to $HK23.75, Jardine 10 cents to $HK23.40 and Hong Kong and Kowloon Wharf 30 cents to $HK11.90.

TOKYO — Generally higher following the overnight trend on Wall Street. Volume 180m. (120m.) shares.

Sony renewed its 1975 high ending at Y3,750, up Y130, attributed to renewed demand for colour television receivers, and also to possible increased share purchases by American investors.

Sharp Corp., Matsushita Electric, and Nippon Musen were also bought following a recovery in domestic colour television demand.

Construction, Anti-Pollutions, Oil Refinings, Machineries, Pharmaceuticals and Precision Machinery issues were all higher.

AUSTRALIA — Mixed in unsettled trading, following some tax-loss selling.

BHP gained 4 cents to $A7.10, while Bank of NSW advanced 10 cents to $A6.30.

Minings were mixed. Utah gained 24 cents to $A7.24, but Pancontinental eased 5 cents to $A3.30 and Poseidon dipped 10 cents to $A3.40.

Cons. Rutile fell 6 cents to $A1.69, while Woodside-Burmah closed 4 cents higher at 70 cents.

JOHANNESBURG—Gold shares were steady in quiet trading. Selective issues showed net gains of 5 to 15 cents.

Financial Minings were lower. Betrest reacted 5 cents to R1.15.

Platinums were 4 to 8 cents lower on lack of support. Coppers were inactive.

Collieries were occasionally harder, and Industrials continued the recent firm trend.

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport	Indust.	Util.	Trading volume† '00s
June 24	69.62	168.10	869.06	87.07	26,620
23	69.36	167.81	864.83	86.50	20,720
20	69.36	166.76	856.44	86.24	26,260
19	69.06	166.58	846.56	85.37	21,450
18	68.72	164.58	827.63	83.40	15,590
17	68.93	165.19	828.61	82.82	19,440
16	68.96	167.16	834.5	82.80	16,660
13	68.76	167.55	824.47	81.90	16,300
12	68.58	167.69	819.31	81.61	16,970
11	—	169.21	824.55	81.51	18,230
10	68.27	168.58	822.12	81.80	21,150
9	68.04	170.07	830.10	82.31	20,670
6	67.91	170.52	839.64	82.22	22,240
5	67.78	168.72	842.15	82.82	21,610
4	67.80	168.92	839.96	83.01	24,900
3	67.79	168.55	846.14	82.57	26,560
1975 High	69.62 (4/4)	174.12 (5/6)	869.06 (24/6)	87.07 (24/6)	—
Low	66.16 (3/1)	146.47 (2/1)	632.04 (2/1)	[illegible] (2/1)	—
All-time High	—	279.88 (7/2/69)	1051.70 (11/1/73)	166.62 (20/4/65)	—
Low	—	13.23 (8/7/32)	41.22 (8/7/32)	10.58 (28/4/42)	—

† Excluding bonds.

IND. DIVIDEND YIELD p.c.

June 13	June 6	June 14, 1974
4.69	4.59	4.38

N.Y. SE ALL COMMON INDEX

December 31, 1965=50.

1975 High	1975 Low	J'ne24	June 23	June 20	June 19	J'ne18
50.28 (24/6)	37.06 (2/1)	50.28	49.94	49.59	48.86	48.17

RISES AND FALLS

Issues traded	Up	Down	Unchanged
1,897	1,010	528	359

	J'ne24	Jne 23	Jne 20	Jne 19	J'ne18
New Highs	295	176	207	151	42
„ Lows	1	1	3	2	7

AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

	1975 High	1975 Low	J'ne24	Jne 23	Jne 20	Jne 19	J'ne18
	91.48 (24/6)	62.20 (2/1)	91.48	91.44	91.09	90.63	89.47
Volume '000s			3,060	2,440	2,608	2,280	1,810

U.S. STOCK INDICES STANDARD AND POORS

	*Industrials	†Composite
June 24	105.54	94.19
„ 23	104.55	93.62
„ 20	103.79	92.61
„ 19	103.04	90.91
„ 18	101.30	90.38
„ 17	101.58	90.58
„ 16	102.63	91.46
„ 13	102.63	91.46
„ 12	101.53	90.52
„ 11	101.06	90.08
1975 High	105.54 (24/6)	94.19 (24/6)
1975 Low	77.71 (8/1)	70.74 (8/1)

* 425 Industrials. †425 Industrials, 50 Utilities, 25 Rails.

STOCK AND BOND YIELDS

	June 19 1975	June 12 1975	June 26 1974
Ind. Ord. yield pc	3.74	3.73	3.80
Ind. Ord. p/e ratio	18.86	11.02	19.73
Long-term Gov. Bds. per cent.	3.75	3.71	6.60

TUESDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Varian Assoc.	474,400	13¼	+2⅞
Sony	417,700	18	+⅝
Polaroid	336,200	37	+⅜
Southern Co.	335,600	13⅛	—
Ryder Systems	219,500	7	−⅞
Amer. Tel. and Tel.	195,000	51	+⅜
U.S. Leasing	192,200	11⅞	−⅞
Occidental Petrlm.	178,700	19⅛	+⅛
Xerox	166,300	69⅛	+⅜
Texaco	141,600	27⅞	−⅛

TORONTO

INDUSTRIAL INDEX

June 24	June 23	1975 High	1975 Low
187.59	187.59	187.96 (20/6)	150.41 (2/1)

MONTREAL

INDUSTRIAL INDEX

June 24	June 23	1975 High	1975 Low
197.30	197.91	197.95 (14/3)	159.95 (2/1)

COMBINED INDEX

June 24	June 23	1975 High	1975 Low
191.11	191.60	191.60 (20/6)	158.02 (2/1)

JOHANNESBURG

	June 24	June 23	High	Low
Industrials	226.5	226.1	226.5 (24/6)	183.2 (23/1)
Golds	319.6	317.3	379.1 (2/1)	295.2 (13/4)

1958=100. Source: Rand Daily Mail. * 1974.

MELBOURNE YIELDS

Av'ge yield on 50 Leading Stocks	June 19	June 12	June 5
On Dividends	7.55	7.11	7.02
On Earnings	14.15	13.67	13.49

SYDNEY ALL ORD. INDEX

June 24	June 23	High 1975	Low 1975
365.56	365.47	365.56 (6/6)	289.88 (9/1)

TOKYO NEW SE INDEX

Base=100 January 4, 1968.

June 24	June 23	High 1975	Low 1975
329.05	327.61	332.96 (22/5)	268.24 (10/1)

HONG KONG INDEX ●

June 24	June 23	High 1975	Low 1975
326.69	329.59	341.57 (9/6)	160.44 (9/1)

SINGAPORE INDEX §

June 24	June 23	High 1975	Low 1975
227.59	229.01	258.59 (11/6)	153.38 (8/1)

EUROPE

	June 24	Previous	1975 High	1975 Low
Belg'm (a)	107.23	107.61	111.81 (15/5)	89.07 (2/1)
Denm'k (b)	—	90.61	92.20 (13/6)	73.06 (15/1)
France (d)	64.2	64.6	72.6 (25/4)	51.70 (3/1)
Germ'y (e)	661.5	666.6	726.1 (10/4)	575.5 (2/1)
Holland (f)	100.7	100.0	107.8 (6/6)	85.8 (2/1)
Italy (g)	86.45	86.43	108.86 (21/2)	85.30 (8/1)
Spain (h)	98.41	97.90	110.96 (22/4)	96.54 (19/6)
Sweden (k)	376.81	379.39	379.39 (20/6)	310.56 (9/1)
Switz'rl'd (m)	283.3	282.5	286.1 (6/6)	249.5 (2/1)

Indices and base dates (all base values 100):—(a) Belgian S.E. 31/12/63. (b) Copenhagen S.E. 1/1/73. (d) Paris Bourse 1961. (e) Commerzbank December, 1953. (f) Amsterdam Industrial 1970. (g) Milan 1972. (h) Madrid S.E. 31/12/74. (k) Stockholm Industrial 1/1/58. (m) Swiss Bank Corp. 31/12/58. (n) Unavailable. ● Hang Seng Bank 31/7/64. § Straits Times 1966. (o) Closed. † Adjusted.

Record £ low

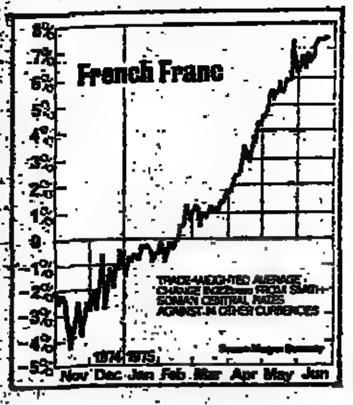
Sterling equalled its lowest levels ever against major currencies in general in the foreign exchange market yesterday, on the basis of the Bank of England's calculation of its trade-weighted average loss in terms of ten units since the Washington Currency Agreement of December, 1971, which showed the pound at closing at a net depreciation of 26.7 per cent. (the worst-ever closing figure, and equal to the level reached in early dealings and at noon on Tuesday of last week. In early dealings yesterday, the weighted fall was at 26.3 per cent., compared with Monday afternoon's of 26.2 per cent., but by noon it had reached 26.6 per cent. A good business was seen, with the rise in dollar interest rates adding to pressure on sterling associated with the uncertain economic outlook. The statement that the Government was to bring forward economic measures before Parliament's summer recess gave the pound some help in the afternoon, however. Bank of England market intervention in support of the pound appeared small, at the most, and may have been nil.

In terms of the dollar, sterling opened at $2.2705-2.2715, but fell quickly to $2.2665-2.2675, and reached $2.2565-2.2575 in the morning, but recovered to about $2.2600 by lunch-time, before falling in mid-afternoon to a day's low of $2.2530-2.2540, recovering to $2.2600 or so on the Government statement, and then easing back a little.

The dollar's trade-weighted average depreciation against 14 units since the Washington Agreement (as calculated on noon rates in New York by Morgan Guaranty) narrowed a shade, to 6.56 per cent., from 6.57 per cent. Other currencies showed varying movements on a similar basis, with sterling's depreciation widening to 32.68 per cent., from 32.05 per cent., while among Continental currencies, the German Mark improved to an appreciation of 15.82 per cent., from 15.53 per cent., and the French franc continued its recent uptrend, reaching an appreciation of 7.43 per cent. against 7.38 per cent.

Gold rose $¼ an ounce on balance in London.

The Krugerrand ended in places at a premium of 10⅞ per cent. over its gold content in domestic dealings, against 10⅛ per cent. overnight, while in international its premium narrowed to 3⅛ per cent., from 3¼ per cent.



EXCHANGE CROSS-RATES

June 24	Frankfurt	New York	Paris	Brussels	London	A'sterdam	Zurich
Frankf't	—	2.3445-60	[illegible]	6.42-43	5.285-300	96.60-70	95.80-85
N. York	42.74-76	—	[illegible]	2.551-555	2.2510-2530	41.20-24	40.06-08
Paris	170.45-55	4.0-01	—	1.4105-4355	9.0565-0510	164.575-975	159.25-15
Brussels	14.91-97	35.64-35.09	[illegible]	—	79.13-33	14.40-46	13.98-14.04
London	5.28¼-29¼	2.258-259	9.0[illegible]	79.05-25	—	5.47½-48½	5.63¼-64¼
Am'erdam	103.50-55	2.4282-4317	[illegible]	6.9285-9335	5.4840-95	—	97.125-175
Zurich	106.59-75	2.4970-85	[illegible]	7.12-1325	5.634-6406	102.93-98	—

U.S.$ in Montreal. U.S. $=102.56-55 Canadian cents.
Canadian $ in New York. $C1=97.53-57 U.S. cents. U.S. $ in Milan 627.80.
Sterling in Milan 1418.75.

EURO-CURRENCY INTEREST RATES*

June 24 1975	Sterling	U.S.Dollar	Canadian Dollar	Dutch guilder	W.German mark	Swiss franc
†Short term	8-8	5½-6	5-6	1-1½	6-6¼	1½-1¾
7 days notice	8½-10⅞	5½-6	6-7	1¾-2	5⅞-6½	7½-8
Month	9⅛-9⅞	5⅞-6⅛	[illegible]-7⅛	2⅛-2⅜	5⅛-5⅜	3⅜-6⅛
Three months	9⅝-10⅛	6½-7	7¼-7⅝	3¼-3½	5⅛-5⅜	[illegible]
Six months	11¼-11⅞	7⅛-7⅝	7¼-7½	4¾-5	5⅛-5⅜	4⅛-4⅜
One Year	12-12⅞	7¾-8¼	[illegible]	6-6¼	6⅛-6⅜	5⅝-6⅛

Euro-French deposit rate short-term 11½-12 per cent., seven days' notice 11½-12 per cent.; one-month 10½-11 per cent.; three months 10½-10¾ per cent.; six months 10½-10¾ per cent.; one year 10-10½ per cent.

Longer-term Eurodollar deposits two years 8¼-8½ per cent.; three years 8¾-9 per cent.; four years 9-9¼ per cent.; five years 9¼-9½ per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month 5¾₁₆-5¹⁵⁄₁₆ per cent.; three months 6⅝-6⅞ per cent.; six months 7⅜-7⁷⁄₁₆ per cent.; one year 8⅛-7⅞ per cent.

* Rates are nominal closing rates.

† Short-term rates are call for sterling, U.S. dollars and Canadian dollars and two days' notice for guilders and Swiss francs.

GOLD MARKET

	June 24 1975	June 23 1975
Gold bullion (a fine ounce)		
Close	$162-163	$161¾-162¾
Opening	$162-163	$162¼-163¼
Morning fix'g	$162.25 (£71.621)	$162.50 (£71.444)
Afternoon fix'g	$162.40 (£71.890)	$162.40 (£71.473)
Gold coins (domestically)		
Krugerrand	$179-181 (£79¼-80¼)	$179-181 (£78¾-79¾)
New sov'r'gns	$52½-54½ (£23½-24½)	$53½-55½ (£23½-24½)
Old sov're'gns	$52½-54½ (£23½-24½)	$53½-55½ (£20½-24½)
Gold coins (int'rn't'n'aly)		
Krugerrand	$166½-168½ (£73¾-74¾)	$166½-168½ (£73¼-74¼)
New sov'r'gns	$49¾-50¾ (£22-22½)	$49¾-50¾ (£21¾-22¼)
Old Sov're'gns	$49¾-50¾ (£22-22½)	$49¾-50¾ (£21¾-22¼)
$ 20 Eagles	$242-247	$240-245
$ 10 Eagles	$117-122	$115-120
$ 5 Eagles	$86-91	$85-90

FOREIGN EXCHANGES

June 24 1975	Bank Rates %	Market Rates Day's Spread	Market Rates Close
New York	[illegible]	2.2530-2.2715	2.2540-2.2550
Montreal	8¼	2.3090-2.3280	2.3145-2.3155
Amsterdam	6	5.47-5.51	5.47½-5.48½
†Brussels	6½	79.00-79.70	79.05-79.25
Copenh'gen	8	12.29-12.39	12.30-12.31
Frankfurt	4½	5.28-5.34	5.28½-5.29½
Lisbon	6½	54.70-55.30	54.90-55.10
Madrid	†7	125.90-126.90	126.10-126.30
Milan	7	1,415-1,426	1,416½-1,418½
Oslo	5½	11.07-11.15	11.08-11.09
Paris	9½	9.06-9.09	9.01-9.02
Stockholm	7	8.85-8.92	8.83½-8.84½
Tokyo	6	664-674	668½-668½
Vienna	6	37.50-37.80	37.35-37.55
Zurich	4½	5.62½-5.67½	5.63½-5.64½

† Basic discount. ‡ Rates given are for convertible francs: closing financial franc 82.40-82.60.

OTHER MARKETS

		¶Notes Rates	
Argentina	◆56.55-56.75	Argentina	148-176
Australia	1.6875-1.6975	Austria	38½-38½
Brazil	17.82-18.02	Belgium	81½-83½
Finland	7.88-8.08	Brazil	2½-2½
Greece	67.364-68.965	Canada	2.31-2.34
H'gKong	11.21-11.24½	Denmark	12.30-.50
Iran	149.6-151.6	France	9.00-9.20
Kuwait	0.645-0.653	Germany	5.20-5.40
Luxemb'g	79.45-79.65	Greece	66-68
Malaysia	5.1665-5.1715	Italy	1450-1480
N.Zealand	1.7124-1.7284	Japan	660-690
SaudiAria	7.78-7.93	Nethrl'ds	5.40-5.50
Singapore	5.1565-5.1740	Norway	11.05-11.25
S.Africa	1.5302-1.5447	Portugal	53½-58½
U.S.—		Spain	124½-127½
Canada		Switz'land	5.55-5.75
C$1=		U.S.	2.27-2.29
U.S. cents	97.53-97.58	Yugosl'ia	36-38

¶ Based on rates quoted by specialist dealers. Other rates may be quoted elsewhere. ◆ Rate given is the commercial rate: financial rate 67.61-67.81.

FORWARD RATES

—	One Month	Three months
New York	0.65-0.55 c.pm	1.82-1.62 c.pm
Montreal	0.50-0.40 c.pm	1.60-1.50 c.pm
Amst'dam	3⅛-2⅛ c.pm	9½-8½ c.pm
Brussels	30-10 c.pm	75-55 c.pm
Cop'n'hgn	6-4 ore pm	12½-9½ ore pm
Frankfurt	2⅛-1⅛ pf. pm	7½-6½ pf pm
Lisbon	20-120 c. dis	20-160 c. dis
Milan	par-5 lire dis	par-5 lire dis
Oslo	1 ore pm-1 ore dis	5-1 ore pm
Paris	1-3 c. dis	par-2 c. dis
Stockholm	½ ore pm-½ ore dis	3½-1½ ore pm
Vienna	30 gro pm-par	75-50 gro pm
Zurich	3¾-2¾ c.pm	10-9 c. pm

Six-month forward U.S. dollar 4.52-4.42c pm. and 12-month 9.45-9.35c pm.

OVERSEAS SHARE INFORMATION

Investment premium based on $2.60 per £1—96⅛% (95⅛%)

GERMANY ◆

June 24	Price Dm.	+ or —	Div. %	Yld. %
A.E.G.	69.8	−1.7	—	—
Allianz Versich.	462	+7	17	1.8
B.M.W.	230.1	−1.9	14	3.2
BASF	122.6xd	−2.4	17	6.7
Bayer	116.6	−1.5	17	5.9
Bayer Hypo.	302.5	−0.5	18	3.0
Bayer Vereinsbk.	322	−1	18	2.6
Commerzbank	199	−1.4	17	4.3
Contl. Gummi	71.1	−0.9	—	—
Daimler	289		16	2.7
Degussa	252	−3.5	18	3.9
Demag	205	+4.8	16	3.9
Deutsche Bank	290	+0.8	20	3.4
Dresdner	230	+1.5	18	3.9
Dyckerhoff Zem't.	170	−5	14	4.1
Gelsenberg	70.7	+0.7	8	5.6
Gutehoffnung	165.8	+1.8	14	4.3
Hapag Lloyd	123	+0.5	9	3.7
Harpener (DM100)	176.5	−2.5	8	4.5
Hoechst	124	−0.5	18	7.3
Hoesch	49.1xd	+0.1	10	1.0
I. G. Farbeninlig.	4.45	+0.15	—	—
Kali Salz (DM50)	117xd		6	2.1
Karstadt	445	+1	20	2.2
Kaufhof	257	+1	20	3.9
Kloeckner (DM100)	94xd		6	6.4
Klock Humbolt	137.5	−0.5	6	2.2
Kr'ssManer (DM)	666		15.9	2.9
Krupp Prf. DM100	125		10	7.8
Kundenkredit Bk	290xd	−3	15	2.8
Linde	199	+0.6	16	4.0
LowenbrauDM100	1,830		20	1.0
Lufthansa	88	−3	4	5.4
M.A.N.	185	−1	12	5.9
M'esmann DM100	284	−5.5	14	4.9
Metallge'lschaft	225		12	2.7
Munch. Ruckvers	827	+4.5	18	1.7
Neckermann	102	−1.5	6	2.9
Preussag DM100	138.5	−1	7	5.0
Rheinstahl DM50	54.5		5	4.5
Rhein Westf Elect.	115.5	−0.5	16	6.9
Schering	299.5	+0.5	20	2.6
Siemens	257.8	−0.8	16	2.7
Sudzucker	239	−1.5	18	3.8
Thyssen	74.6	+0.5	14	9.4
Verein & West Bk	321	+1	16	2.8
Zeiss Ikon	159xd	+6.6	10	6.5

AMSTERDAM

June 24	Price Fls.	+ or —	Div. %	Yld. %
Ahold (Fl.20)	96	+1	18	3.7
Akzo (Fl.20)	39.8	+0.8	20	8.0
Algem Bnk (Fl.100)	365	−1	20	8.2
AMAS NV (Fl.10)	12.5	−0.5	10	8.0
AMEV (Fl.20)	66.0xd	+0.7	30	5.4
Amro Bank (Fl.20)	73.6	+0.6	20	5.4
VanBer kels Fl.50	119xd	−1	15	6.3
Bijenkorf (Fl.20)	74.0	−0.5	21	5.7
Bols Westm. Fl.10	112.8xd	+1.8	52	4.6
Buhrm-Tetterode	65.1xd	+0.5	25	7.1
Elsevier (Fl.20)	476xd	+11	34	10.1
EuroCom Tst Fl.10	66.5xd	+0.5	50.4	5.2
Gist Brocade Fl.10	65.2	+0.5	23	3.6
Heineken (Fl.25)	150.5	+0.4	14	2.3
Helma Hlds. (Fl.10)	56.0	−0.5	28	5.0
Holland Fund	690	[illegible]	15	2.2
Holland I.H.C.	87.50		—	—
Hoogovens (Fl.20)	51.5	+0.8	26	10.1
H'nterDouglas Fl.5	19.0xd	+0.7	11	6.8
K.L.M. (Fl.100)	54.5	−0.5	—	—
Int. Muller (Fl.20)	49.8	+0.1	24	9.6
Naarden (Fl.10)	60.1	+6.6	20	3.3
Nat. Ned Ins'rnce	91.7xd	+1.7	35.2	4.3
NedCredBk (Fl.20)	40.6	−0.5	15	7.9
NedMidBk (Fl.50)	133.3	−0.2	15	6.6
Neto (Fl.50)	69.0	+0.2	10	7.2
Nijverdal T. Cate	58.5	−1.5	6	10.5
OCE (Fl.20)	171.0	+0.5	28	3.3
Van Ommeren	253	−1	20	7.9
Pakhoed (Fl.20)	154.0	+0.2	21½	2.4
Philips (Fl.10)	24.5	+0.1	18	7.3
RijnSch Ver Fl.100	211.0	−2.5	18	8.5
Robeco (Fl.50)	179.5	+2.2	25.2	7.0
Rolinco (Fl.50)	128.3	+1.7	4	1.6
Rorento (Fl.50)	114.8	−0.4	—	—
RoyalDutch (Fl.20)	90.9	+1.2	40	8.8
Slavenburg's Bnk	251	+1	17	6.8
Tokyo Pac Hlgs $1	US$57.5	+1.0	$0.3	1.4
Unilever (Fl.20)	105.5	+0.5	36½	6.9
VMF	184	−1	13.5	7.3

TOKYO ¶

June 24	Price Yen	+ or —	Div. %	Yld. %
Asahi Glass	279	+2	16	2.9
Canon	206	+1	12	2.9
Dai Nippon Print	480	−7	16	1.7
Fuji Photo Film	465	−6	18	2.1
Hitachi	168	−2	12	3.6
Honda Motors	599	+18	18	1.5
C. Itoh	398	−1	12	1.5
Japan Airlines	1,600		8	2.5
Kansai Elect. Pw.	810	−5	8	4.9
Komatsu	385	+17	18	2.3
Kubota	348	+1	15	2.3
Matsushita El.	564	+4	20	1.8
Mitsubishi Bank	356	−1	12	1.7
Mitsubishi Heavy	124	−1	12	4.8
Mitsubishi Corp.	451		13	1.4
Mitsui & Co.	475	+15	14	1.5
Mitsukoshi	465	+1	20	2.2
Nissan Motors	370	+15	16	2.2
Shiseido	1,390		25	0.9
Sony	3,750	+130	30	0.4
Taisho Marine	295	+9	11	1.9

VIENNA

June 24	Price %	+ or —	Div. %	Yld. %
Creditanstalt	380		10	2.7
Perlmooser	365		12	3.3
Selecta	745	−1.5	48	6.1
Semperit	180		4	2.5
Steyr Daimler	147		9	5.5
Veit Magnesit	386xd		22	5.1

SPAIN ♥

	Per cent.	
Financiero SA	436	—
Financiero Servicios	444	—
Gal. Preciados	429	+ 5
Hidrola	152.50	[illegible]
Iberduero	227	+ 7
Motor Iberica	228	+ 2
Olarra	770	+20
Petroliber	325	—
Sarrio Papalera	333	+ 6
Seat (1,000)	176	—
Sevillana Elec.	134	− 1
Sniace	125	+ 3
Telefonica	236	+ 2
Tubacex	324	[illegible]
Union Elec.	129.50	[illegible]
Union y Fenix	598	+ 8
Urbis	234	+ 9

NOTES: Overseas prices exclude $ premium. Belgian dividends are shown after withholding tax.

◆ DM50 denom. unless otherwise stated. ♣ Kr.100 denom. unless otherwise stated. ♥ Ptas.500 denom. unless otherwise stated. ◆ Frs.500 denom. unless otherwise stated. ¶ Yen 50 denom. unless otherwise stated. $ Price at time of suspension. a Florins. b Schillings c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs: including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t Indicated div. u Unofficial trading. v Minority holders only. y Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. Δ Interim since increased.

FARMING AND RAW MATERIALS

World dairy agreement planned

By Our Own Correspondent

GENEVA, June 24.

THE EEC has proposed at the GATT multi-lateral trade negotiations an international agreement to cover powdered milk, butter and fats, with minimum and maximum prices.

Exporting countries belonging to the proposed agreement should be obliged to respect the minimum price when selling these products to either members or non-members of the agreement, the EEC stated. *Importing members, meanwhile, would have to buy only from countries belonging to the agreement.*

"The introduction of a maximum price, which is a novelty in respect of existing arrangements, would provide supply guarantees to those importing members of the agreement," the EEC proposal said.

Japan buys more wool from Australia

SYDNEY, June 24

JAPAN BOUGHT 163,622 bales of wool from Australia in May, about 30 per cent. more than in the corresponding month last year, the National Council of Wool Selling Brokers of Australia said.

But in the 11 months of this selling season, ended May 31, Japanese interests bought 11.6 per cent. less Australian wool—874,023 bales—compared with the equivalent period in the previous season.

The Council said that the May figures, issued by the Japan Wool Importer's Association, confirmed the fact that the continuing high level of Japanese buying was one of the most assuring pointers for wool grower optimism in the new wool selling season.

Reuter

Rubber prices up sharply

RUBBER FUTURES prices on the London terminal market registered a limit-up movement of two pence a kilo *after little* more than one hour of trading yesterday morning and the August *position closed* 2.125p higher at 33.525p a kilo.

Dealers attributed the sharp *rise to marked steadiness in the* East, where forward deliveries were in demand. The weakness *of sterling also contributed to* the rise, which is reported to have entailed chartist and *speculative support.*

EEC Ministers clash on Mediterranean package

BY ROBIN REEVES

LUXEMBOURG, June 24.

COMMON MARKET Agriculture Ministers were still bogged down here this evening in discussions aimed at clearing the way for the Community to review its preferential trade agreement negotiations with the Magreb and other Mediterranean countries. This was despite appeals for a quick decision from the Irish Foreign Minister, Dr. Garret Fitzgerald, *in his capacity* as president of the Foreign Ministers' Council, and M. Francois Xavier Ortoli, the Brussels Commission president.

Sig. Giovanni Marcora, the Italian Farm Minister, was continuing to insist that he could only agree to more liberal treatment of agricultural imports from countries of the Mediterranean region—with whom the Community wishes to sign a series of Brussels trade agree*ments—in exchange for a much* better deal out of the Common *Agricultural Policy for Italian producers of fresh* and processed fruit and vegetables and wine.

The Italian Minister was proving particularly tough on wine imports, arguing that in view of the EEC's surplus, there should be quantitative restrictions on the amount of wine imported and that most, or all, of it should be distilled into alcohol. Sig. Marcora also hinted that quantitative restrictions should apply to fruit and vegetables based on the degree of EEC self-sufficiency in individual items.

The negotiating atmosphere was not helped by the intervention of Dr. Fitzgerald and M. Ortoli, in which the former reminded the Farm Ministers that it was their Governments that had decided there should be a series of association agreements with the EEC's Mediterranean neighbours, and that it was vital to settle the negotiating mandate quickly

The reaction of the Agricultural Council was immediate and hostile. Led by Herr Josef Ertl, the German Farm Minister, all Agricultural Ministers closed ranks and protested at the ease with which the Foreign Ministers made "beautiful declarations of generosity" towards the Mediterranean, leaving them with the difficult task of translating these into concrete action.

In between times the Ministers did *agree to set January 1, 1978* as the date for banning the spin-chiller method of freezing poultry *meat*—six months earlier than the date proposed originally by the Commission. However the Commission must report on the permissable alternative methods for freezing poultry by July 1, 1976, at the latest.

The Netherlands called for action to deal with the Community's present wheat surplus stocks of some 6m. tonnes on the grounds that they are liable to depress new crop prices. Mr. *Pierre Lardinois, the Commissioner* for Agriculture, promised action on proposals for dealing with the increasing quantities of high yielding, low quality wheat now being grown in the EEC, which was unsuitable for bread-making. These would be ready in time for next month's Council and, without being specific, Mr. Lardinois hinted that part of the surplus may be incorporated into animal *feed rations.*

Common Market Farm Ministers late last night agreed in measures to protect Italian fruit, vegetable and wine growers against cheap imports, clearing the way for stalled trade negotiations with three Arab countries to be resumed, EEC officials said, Reuter reports.

Bid to end Paris sugar dispute

BY RUPERT CORNWELL

PARIS, June 24.

A SUDDEN SPATE of developments has abruptly rekindled fresh, but fragile, hopes that a solution might be *found* to the dispute which has paralysed trading on the Paris white sugar *market since its enforced closure* on December 3 last.

Moves have followed thick and fast since *Friday evening when* a high Paris court rescinded the original decree of the Commerce Ministry, *suspending* dealings. The Government quickly dissolved the existing Caisse de *Liquidation, and appointed an* interim President to ensure that the former Caisse took no preci*pitate action.*

However, following a Commerce Ministry Press briefing—*the first on the whole tangled* issue since the market folded almost seven months ago—it has *emerged that the authorities now* have plans for a revamped Caisse, capitalised at between *Frs.10 and 15m.* and backed by major French banks and London interests.

Moreover, a new formula to resolve the issue of settlement prices on outstanding transactions appears to be taking shape. *According to officials handling* the sugar crisis at the Ministry, this could be Frs.5,700 per ton, *well below hte Frs.7,400 postu*lated by the rules of the former Caisse for emergency settle*ments, but far above the Frs.* 1,450 now quoted after the steady drop in world sugar prices since 1974.

Grave doubts

The problem is to ensure that this latest solution imposed by the Ministry goes through, and there must be grave doubts on this point, given the legal complexities which surround the whole *affaire.*

Should the formula be accepted — and this is by no means certain given the conflicting interests involved — the shortfall to be made up would be around Frs.79m. (£8.7m.), of which Frs.45m. (£5m.) would have been accountable to M. *Maurice Nataf (whose failure* triggered the whole crisis) and Frs.34m. (£3.7m.) spread among *other operators.*

This sum, large as it is, pales into insignificance beside the *computed sum of Frs.750m.* £81m.) that might have been due had the settlement price been *the most recently traded market* level, as had been demanded in some quarters.

Faced with the prospect of a virtual rival London investment opening on July 15, the Paris authorities have now been galvanised into action. On July 3, a tough set of market rules will go before the Chamber of Commerce, and if the many obstacles are overcome, trading under the aegis of the new representing body might start in September.

Some observers feel that, only if the new rules can be accepted will the existing Paris markets for coffee and cocoa—already hit by the backlash of the sugar debacle — be able to function properly.

Coffee pact pledge by Brazil

BRAZIL WAS willing to take new steps towards a third International Coffee Agreement, provided other countries showed an equal interest, head of the Brazilian delegation to the International Coffee Council, Dr. Camillo Calazans, said yesterday.

In a statement to the Council's opening session in London, Dr. Calazans said Brazil's constructive spirit was demonstrated as early as last December when it made public its preliminary considerations on a new agreement, and later, together with Colombia, when far more detailed proposals were presented.

***Council chairman, Mr. John* R. Sharpe, told delegates that the chairman of the special working group set up to negotiate a new Agreement had idjentified quotas, prices, assurance of supply, stock policy controls, production policy and promotion as the essential elements in a new negotiable Agreement.**

Reuter

British meat promotion planned

By Our Commodities Staff

BRITAIN'S FIRST national campaign to promote sale of home produced meat is to begin in September, it was announced yesterday.

The newly formed Meat Promotion Executive, representing all sides of the British meat industry, is to spend part of its £1.4m. annual income between September and October in an effort to boost consumption at a time *when heavy supplies of* British beef and lamb are expected.

The executive's main aim in future would be to promote British meat and help to stabilise *prices by keeping housewives* well informed about meat supplies and quality and encourag*ing them to buy more of it, said* the chairman, Mr. K. J. Allright.

Leading butchers serving on the Executive said the offer of large quantities of Irish boneless beef from Intervention Stocks for sale in Britain yesterday would have little effect on the market.

The Irish Department of Agriculture wants to unload about 50,000 tons of surplus frozen beef, worth about £60m., which was taken off the market and stored to support cattle farmers' prices earlier this year.

FORESTRY

Nigeria's huge potential

BY A CORRESPONDENT

IN FRANTIC search of alternative sources of wealth, oil-rich Nigeria has awakened to her huge forestry potential. A nationwide propaganda campaign, which came to its climax in March, was aimed to draw the Nigerian people's attention to the wide uses *of forests, in* production as well as protection and amenities.

An *inventory operation* has also begun in forest reserve land of the six States situated in the humid tropics belt, from the coast almost to the confluence of the Niger and Benue rivers. In the arid northern region the campaign is emphasising the importance of trees which will prevent the desert encroaching and soil erosion. Had there been more trees, the effects of drought in 1973 might not have been as disastrous as they were.

The high forest reserve land *in the south amounts to* an estimated 250m. cubic metres of mostly hardwood extending over an *area of* about 20,000 square kilometres, of which 12,000 square kilometres is virgin forest. Some logging has been done in the rest of the area over the past 50 years.

Luxury wood

Nigeria has been an exporter of luxury wood, *including* mahogany, cedar and walnut, but the trade has been declin*ing recently. Exports of timber* and plywood dropped from 14m. naira (about £10m.) in 1973 to *9m. naira last year.* There has been a galloping demand for wood and timber products at home, particularly for construction, and an enormous jump in the demand for pulp and paper is expected to follow current educational programmes, including a plan to introduce compulsory primary schooling by 1978.

Some 200m. cubic metres of roundwood equivalent in the high forest have known in*dustrial uses. Out of about 600* species so far identified, only about 35 are at present harvested.

Last year about 1.5m. cubic metres were cut, but this year the figure is *expected* to be 2m., rising to 90m. in 2020, when the population of Nigeria will have risen to 250m. from the present estimate of about 80m. The forests might be practically wiped out by the end of the century unless action is taken now to improve management and regeneration.

An inventory to be completed by the end of this year is the first essential step in the new policy. Nigeria is the first African country to make use of the NASA-provided satellite imagery for the purpose, although Mr. Tom Dow, a Scot in charge of the UN's development programme scheme under which the operation is conducted, says the first ERTS pictures had been received with mixed feelings.

He agreed that satellite imagery, which came in both the visual *spectrum* and infra-red, *was an excellent device* to observe seasonal changes in the forest canopy due either to leaf *fall, disease or removal of trees.*

The great drawback of satellite observation in Nigeria is the inability of the medium to penetrate the cloud and haze that usually cover the humid tropics, apart from the fact that satellite snapshots can only be taken in *day-time. To circumvent these* disadvantages, the side-looking airborne radar will be used to provide microwave imagery, a method that has proved eminently useful in other cloud-stricken areas, including Britain.

The aerospace action will be supplemented by survey work on the ground, by nearly 1,000 men deployed in 25 crews covering the six States.

Pinus caribae

There is little natural regeneration of the forest, but something like 100,000 hectares of soft-wood plantation: are being planned up and down Nigeria. Pinus Caribae has been found a suitable species, except that, being exotic to the region, it must be inoculated in nurseries with a fungus, mycorrhiza to *make normal growth possible.*

Much of the new soft wood will serve the expanding pulp and paper industry. Two mills are being built, with an annual consumption capacity of 600,000 cubic metres of timber each. It is hoped that by 1980, Nigeria will be meeting all her own pulp and paper needs.

Other demands for wood products, including plywood and furniture, will be met by two large forest industry complexes to be built in the early stages of the five-year national develop*ment plan launched last March.* One is a joint venture with Rumania.

Australian whaling plan well received

THE SOVIET UNION has *approved* an Australian plan to reduce whaling catch levels and said it would phase out one of its three *Antarctic whaling fleets.*

Soviet delegate, I. V. Nikonorov, told the annual meeting of the International Whaling Commission (IWC) in London that *the move was a gesture to grow*ing conservationist pressure. He said he believed the Australian plan would work, provided the IWC showed "wisdom and understanding about catch levels."

The Australian proposal calls for three categories of protection: Totally protected species: an automatic cut-off in hunting species which fall below danger levels; and careful regulation of stocks deemed to be in no danger of over-depletion.

Japanese delegate, Mr. I. Fujita, said he thought some agreement could be reached, provided the new rules took account of Japan's needs and that limits were not set in excess of conservation needs.

Japan and the Soviet Union account for about 80 per cent. of the world's whale hunting.

Reuter

U.S. delegate, Mr. Robert White, said he would not try to revive the proposed total moratorium on all whale hunting (which has been rejected by the Commission for the last three years) but would push for strict implementation of the Australian proposals.

Under the Australian proposals, it seemed likely that the fin whale would join the blue whale and others on the totally protected list, conference sources said.

In the coming year the fin whale catch quota had been reduced to 1,300, from last year's 2,000. This would leave only three species of whale on the permitted list—the sperm whale, the sei whale and the minke whale.

COMMODITY MARKET REPORTS AND PRICES

BASE METALS

COPPER—Little changed in quiet trading on the London Metal Exchange. The fresh weakness of sterling provided *a bolstering influence to a market which* appeared to have a soft undertone. Turnover, including carries, 11,325 tonnes.

Amalgamated Metal Group reported that in the morning cash wirebars traded at £521, 22, 20.5; three months £541, 40, 39, 40, 39.5, 39. Cathodes: Cash £509; three months £527. Kerb: Bars: Three months £539.5, 39. Cathodes: Three months £527.5. Afternoon: Wirebars: Cash £520.5, 20; late-June £520.5; three months £536.5, 38. Cathodes: Three months £527. Kerbs: Bars: Cash £519.5; three months £538, 38.5.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	520-.5	......	519.5-20	-1.75
3 months	539-.5	-.25	537.5-8.5	-2.25
Settlem'nt	520.5	......	—	......
Cathodes				
Cash	509.5-9	+2.5	508-.5	-1.75
3 months	527.5	+1.75	526.5-7	-1.5
Settlem'nt	509	+2.5	—	......
U.S. Smt.	—	......	*60-63.7	......

TIN—Gained ground, especially cash metal where influential demand found the market almost devoid of sellers and resulted in the backwardation widening to around £18. The easier tone of sterling prompted currency hedge buying and values ended at around the day's highest. Turnover, 330 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	3060-5	+22	3072-5	+34.5
3 months	3053-7	+17.5	3055-60	+18.5
S'ment	3065	+25	—	......
Standard				
Cash	3060-5	+22	3072-5	+34.5
3 months	3053-7	+17.5	3055-60	+18.5
S'ment	3065	+25	—	......
Straits E.	‡6.32	......	—	......
New York	—	......	*344.75	......

Morning: Standard: Cash £3,060; late-July £3,055; three months £3,055. High Grade: Untraded. Kerb: Standard: Three months £3,055. Afternoon: Standard: Early-Aug. £3,060; three months £3,055, 50. High Grade: Untraded. Kerb: Standard: All carries. High Grade: Untraded.

LEAD—Edged higher mainly reflecting currency considerations. Turnover, 4,950 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	159.5-60.5	+1.75	158-9	+.25
3 months	162.5-3	+1	161.5-2	+.5
S'ment	160.5	+2	—	......
N.Y. Spot	—	......	19-22½	......

Morning: Cash £159.5; three months £163. Kerb: Three months £163. Afternoon: Three months £163, 62.5, 62. Kerb: Three months £161.5.

ZINC—*Irregular. After initial firmness* reflecting continued support buying, cash metal gave ground owing to lack of follow-through and ended lower on *balance. Forward metal moved ahead* in line with the general trend helped by short-covering. Turnover, 3,225 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	330-.5	-1	328.9	-2
3 months	317.5-8	+3.87	316.5-7	+3.25
S'ment	330.5	-1	—	......
Prim West	—	......	*36½-9	......

Morning: Cash £330; three months £317, 17.5, 17, 17.5, 18. Afternoon: Mid-June £326, 20; late-Aug. £323; late-Sept. £327; three months £317.

* *Cents per pound.* † On *previous* unofficial close. ‡ $M per picul.

SILVER

Silver was fixed 0.35p an ounce higher for spot delivery in the London bullion market yesterday, at 197.60p. U.S. cent equivalents of the fixing prices were: spot 440.2c., down 1.9c.; three-month 454.1c., down 1.2c.; six-month 461.5c., down 0.7c.; and 12-month 480.3c., down 0.9c. Business was modest. The spot price opened at 196.5-197.5p (445.0-447.5c.), but trended up over the day, to close at 198-199p (446.5-449.0c.), against the previous 197-198p (447-449c.).

SILVER per troy oz.	Bullion fixing prices	+ or —	L.M.E. close	+ or —
Spot	197.6p	+0.35	198.35p	+1.45
3 months	202.9p	+0.35	203.65p	+1.55
6 months	208.75p	+0.35	—	......
[illegible]	—	....	211p	+1.65
12 month	222.15p	+0.55	—	......

LME—Turnover 113 (128) lots of 10,000 ozs. Morning: Cash 198; three months 203, 3.2, 3.5, 3.6, 3.4. Kerb: Three months £203.4, 3.5, 3.6. Afternoon: Three months 203.5, 3.6, 3.7, 3.8, 3.7, 3.6, 3.5, 3.8. Kerb: Three months 203.7.

FREIGHTS

DRY CARGO—Dull conditions persisted with European grain interest from North America again negligible. Cargoes of *grain were booked, however, from the* U.S. Gulf to Ghent/Hamburg range at $20,000 f.i.o. based on 37,000 long tons for June and from the U.S. Gulf to Guayaquil at $15.22½ f.i.o. *for June/July while wheat* West Australia/Safaga paid $18.50 free discharge June/July. Sugar shippers arranged cargoes Acajutla/U.S. Gulf at $12 f.i.o. July and Mauritius/London or Liverpool at £7.50 f.i.o. July. In the coal section a cargo was fixed Hampton Roads/Japan at $5.90 free discharge Aug./Sept. Miscellaneous chartering included barytes Walton, Nova Scotia/U.S. Gulf at $9.40 f.i.o. July. Timecharterers fixed a vessel of 16,425 long dwt for a St. Lawrence round voyage at $3,000 daily delivery Ghent June, redelivery Italy.

OIL TANKERS—A stronger market again with higher rates and a good volume of inquiry. Arco took a 125,000-tonner in early-July from Persian Gulf to U.S. West Coast at Worldscale 38—an *increase over the previous level, for this* type of tonnage of nearly 8 points. At this rate, depending upon whether slow steaming is involved, the payment is not *far below the operating break-even point,* excluding depreciation and payments on loans, etc. Perroner, the Spanish charterers are reported to have fixed a 65,000-tonner from Mediterranean to U.K.-Continent on June 25 at the good rate of just under W.70. One explanation for the recent improvement, in the height of summer, is that oil companies who have storage space are stocking up in advance of an oil price increase and that there is not now so much tonnage available in the *Persian Gulf* as a result of the huge laying-up programme of tanker owners.

COCOA

The steadier trend continued with further commission house short covering aided by the weakness of sterling with values closing near the highs of the day, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
No.4 Contract			
July	456.5-57.0	+12	457.0-47.0
September	451.5-52.0	+10	454.0-45.0
December	461.5-62.0	+6.0	464.0-55.0
March	468.0-69.0	+7.0	470.0-65.0
May	471.0-72.0	+7.0	473...-69.0
July	474.5-75.0	+7.5	475.0-72.0
September	477.5-78.5	+8.5	—

Sales: 2,200 lots of 10 tonnes.

International Cocoa Agreement prices: Daily 43.49 (43.75) *U.S. cents per pound:* Indicator 15-day average 43.08 (43.29) 22-day average 46.16 (46.35).

COFFEE

Robusta futures recorded moderate gains during the afternoon with light mixed buying and shortcovering later finding sellers rather reserved due to a steadier New York market. At the close prices were £4.5-£6 higher on balance and sales totalled 875 lots. Arabicas were 170 points lower in the spot position while the rest of the market showed losses of between 40 and 15 points.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
July	457.0-59.0	+4.50	458.5-61.0
September	458.0-58.5	+5.50	458.5-50.0
November	454.0-56.0	+5.50	455.0-48.5
January	452.5-53.5	+4.75	454.0-48.0
March	455.5-56.0	+6.25	456.0-49.0
May	456.0-57.0	+5.00	457.0-51.0
July	458.5-60.0	+4.25	454.0

Sales: 875 (1,713) lots of 5 tonnes.

Latest published ICO indicator prices, U.S. cents a pound. Colombian Mild Arabicas 72.25 (74.00). Other Mild *Arabicas 59.75 (58.00). Unwashed Arabicas* Santos Fours 68.50 (78.50). Robustas 49.58 (same). Daily average 60.54 (64.46).

ARABICA CONTRACT (in order buyer, seller, sales)—June 62.50-64.00, 63.50-62.80, five; Aug. 64.60-64.80, 64.80-64.50, 10; Oct. 63.70-64.10, 63.70, one; Dec. 64.0-64.50, 63.80-63.70, two; Feb. 64.40-64.50, 64.50, one; April 64.35-64.60, 64.30, one; June 64.50-66.00, nil. Sales: 20.

GRAINS

THE BALTIC—Imported grains again ruled quiet with prices generally showing little change. Limited interest developed for optional corn for July transhipment *to the West Coast U.K. but business was* slow to develop.

Wheat—U.S. Dark Northern Spring July £83.15, Aug. £81.65, Sept. £77.15 transhipment *East Coast: No. 2 14 per cent. July* £74, Aug. £72 nom direct Tilbury; EEC milling July £55 transhipment West Coast. Maize—No. 3 Yellow American/French July £54.75, Aug. £55.50, Sept. £56.75 transhipment East Coast seller. South African White Dent Aug. £66.00 Glasgow. South African Yellow Flint Aug. £65.00 Glasgow. Barley—EEC Feed June and July £54.50 transhipment East Coast.

HGCA—*Location ex-farm spot prices:* Soft milling wheat—King's Lynn £52.95. *Feeding barley—Edinburgh £49.00, Kings* Lynn £51.95.

LONDON GRAIN FUTURES MARKET (GAFTA)—Wheat, steadier. Close: Sept. £58.75, Nov. £61.25, Jan. £63.40, March £65.10, May £66.80. Business: Sept. 58.90-£58.35, Nov. £61.40-£60.70, Jan. £63.30-£63.00, March £65.30-£65.00, May £66.80-£66.50. *Barley—Steadier. Close:* Sept. £56.00, Nov. £58.60, Jan. £60.35, March £62.30, May £63.95. Business: Sept. £56.05-£55.60, Nov. £58.05-£57.85, Jan. £60.35-£60.00, March £62.40-£62.05, May nil.

EEC DAILY IMPORTS LEVIES and premiums are effective for June 25 (in order—current levy plus July, Aug. and Sept. premiums, with previous in brackets) Rates in Units of Account per tonne: Soft wheat and mixed wheat and Rye—50.13, 0.18, 0.18, 1.82 (48.14, rest 2.17); Hard wheat—44.79, rest 2.17 (44.79, rest 2.17); Rye—50.83, nil, nil, 0.72 (50.11, nil, nil, 0.72); Barley—50.23, rest nil (49.51, nil, nil, 0.56); Oats—44.17, rest nil (44.17, rest nil); Maize (other than hybrid for seeding)—24.42, 3.25, 3.23, 6.50 (24.42, 1.70, 1.70, 4.32); Buckwheat—17.49, rest nil (17.49, rest nil); Millet—5.20, rest nil (5.47, rest nil); Grain sorghum—41.19, rest nil (—, nil, nil, 0.90). Levies for flours: Wheat or mixed wheat and rye—90.52, (86.74); Rye—90.52 (89.51).

RUBBER

SLIGHTLY EASIER closing on the London physical market.

No. 1 R.S.S.	Yesterday's close	Previous day's close	Business done
July	32.00-33.25	31.35-31.75	34.00-31.50
Aug.	33.50-33.75	31.35-31.45	31.30
Jly-Sep.	33.25-33.40	31.35-31.75	34.50-32.25
Oct.-Dec.	34.00-34.05	32.65-32.70	35.15-33.80
Jan-Mar.	35.20-35.30	34.40-34.60	35.40-34.40
Ap-Jun	36.60-36.80	35.65-35.75	37.45-35.85
Jly-Sept	37.60-37.80	36.10-36.50	38.10-37.45
Oct-Dec	37.90-38.40	36.65-36.85	38.70-38.55
Jan-Mar	38.80-39.00	37.40-37.70	39.50-38.60

Sales: 532 (290) lots of 15 tonnes.

Physical closing prices (buyers) were: Spot 31.5p (30p) (same); July 29p (27.13p); August 29.75p (27.75p).

SOYABEAN MEAL

	Yesterd'ys Close	+ or —	Business Done
	£ per tonne		
August	72.4-72.6	-0.25	72.5
October	75.2-75.5	-0.4	75.5-75.5
December	75.4-75.6	-0.55	75.7-75.5
February	74.6-75.5	-0.5	—
April	76.7-76.8	-0.15	76.0
June	77.2-77.6	-0.5	—
August	78.9-79.0	-0.25	—

Sales: 130 (154) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE—Higher at £133 (£129) a ton c.i.f. for June/July shipment.

Initial widespread selling was absorbed by some good trade buying, and a steady undertone remained throughout the *early* part of the day, C. Czarnikow reports. Values worked higher throughout the afternoon, helped by quite good arbitrage buying interest. Once again closing levels were at the day's highs.

Sugar Pref. Comm. Con.	Yesterday's Close	Previous Day's Close	Business Done
	£ per ton		
Aug.	134.5-35.00	127.00-7.50	134.80-25.00
Oct.	128.50-28.75	123.00-3.50	128.75-22.00
Dec.	127.50-28.00	122.50-2.75	128.00-23.00
March	127.75-28.00	122.00-3.00	127.75-23.00
May	127.50-28.00	122.50-3.00	128.00-23.00
Aug.	128.50-29.00	123.25-25.00	128.50-23.50
Oct.	128.50-28.5	23.75-24.00	128.25-24.00

Sales: 5,059 (2,139) lots of 50 tons each. Tate and Lyle ex-refinery price for granulated basis white sugar was £281.80 (same) a long ton for home trade and £228 (£223) a long ton for export.

WOOL FUTURES

LONDON—Market mixed, slightly better on nears, shade easier on distants, reports Bache.

(Pence per kilo)

Australian Greasy wool	Yesterd'ys close	+ or —	Business Done
July	156.8-58.0	-1.5	158.0
October	162.0-63..	+2.0	162.0-61.5
December	165.0-68.0	......	—
March	168.5-71.0	+1.15	—
May	172.0-74.0	+0.5	—
July	173.5-74.5	......	—
October	175.0-76.0	-3.0	175.0-74.5
December	176.0-80.0	-2.0	—

Sales: 9 (nil) lots of 1,500 kilos.

SYDNEY GREASY (in order buyer, seller, business)—July 243.0-243.2, 243.0-242.0; Oct. 251.2-251.3, 251.5-251.2; Dec. 254.5-254.8, 255.0-253.6; March 257.5-258.0, 258.0-257.0; *May 259.5-259.9, 259.7-258.5; July* 260.5-260.8, 261.0-260.0; Oct. 261.0-261.2, 260.5-260.5; Dec. 261.0-261.5, 261.0-260.5. Sales 397.

MEAT/VEGETABLES

SMITHFIELD (pence per pound)—Beef: Scotch killed sides 33.0 to 37.0; English hindquarters 43.0 to 45.0; forequarters 22.0 to 23.0; Ulster hindquarters 42.0 to 44.0; forequarters 21.0 to 22.0; Eire hindquarters 43.0 to 45.0; forequarters 20.0 to 22.0. Veal: English fats 44.0 to 46.0, special quality 47.0; Scotch bobbies 12.0 to 14.0; Dutch hinds and ends 52.0 to 58.0. Lamb: English small 34.0 to 38.0, medium 32.0 to 36.0, heavy 30.0 to 34.0; Imported frozen New Zealand D's 30.0 to 31.0, 2's 30.5 to 31.0, 8's 29.0 to 29.5, YL's 28.5 to 29.5. Ewes: 12.0 to 13.0. Pork: English, under 100 lb 28.0 to 32.0; 100-120 lb 26.0 to 32.0, 120-160 lb 27.0 to 31.0, 160-180 lb 25.0 to 28.5, 180 lb and over 24.0 to 28.0.

MEAT COMMISSION—Average fatstock prices at representative markets on June 24: U.K.—Cattle £20.67 per live cwt (−0.10); sheep 35.6p per pound e.d.c.w. (+1.00); pigs £4.18 per score liveweight (−0.03). England and Wales—Cattle numbers up 5.2 per cent., average price £20.43 (+0.81); Sheep up 36.0 per cent., 35.9p (+1.0); pigs down 15.5 per cent., £4.15 (−0.03). Scotland—Cattle up 4.8 per cent., £22.34 (−0.07); sheep up 48.7 per cent., 28.0p (−0.5); pigs down 1.0 per cent., £4.40 (+0.06).

COVENT GARDEN (prices, in sterling)—Imported produce: Oranges—Brazilian: 2.80-2.90; Cypriot: 2.40-2.70; South African: 2.90-3.25. Grapefruit—Jaffa: 2.50-2.80; South African: 3.20-3.35. Lemons—Italian: 3.40; South African: 3.70-4.00; Spanish: 2.80-3.00; Californian: 3.40-3.50. Apples—South African: Starking Delicious 4.10, Golden Delicious 5.00-5.40; White Winter Pearmain 4.60, Granny Smith 5.30-5.80, Yorks 4.60-5.00; New Zealand: Granny Smith 5.30, Sturmer Pippin 5.40-5.50; Tasmanian: Jonathan 4.60-4.70, Crofton 5.10, Sturmer 5.00, Golden Delicious 4.90; French: Cartons, Golden Delicious 20 lbs 2.35-2.40; Tyrolean: per 40 lbs Rome Beauty 4.00; Western Australian: Granny Smith 5.20-5.30. Pears—Tasmanian: per 40 lbs Packham's Triumph 6.00, Josephines 6.00; South African: Winter Nelis, cartons 5.00; Victorian: Josephines 6.00-6.20, Packham's Triumph 6.00. Bananas—Windward Islands: per 28 lbs 3.00; Jamaican: 3.00. Cherries—French: per pound 0.20-0.22; Italian: 0.30-0.35; Greek: 0.28. Apricots—Spanish: per 11 lbs 1.40-1.60. Grapes—Israeli: Perlette 4.00. Peaches—Spanish: Trays C's to A's 1.20-2.00; Italian: 11-trays 1.30-2.50. Japanese Plums—Spanish: per pound 1.30-1.80. Tomatoes—Dutch: 2.00; Jersey: 1.80; Guernsey: 1.60. Carrots—French: Nantes 22 lbs 3.00; Cypriot: 3.60; Italian: 3.20; Portuguese: per 28 lbs 3.60. Courgettes—Cypriot: 1.00-1.20; Italian: per 12 lbs 1.30; French: per 11 lbs 1.70. Potatoes—Jersey: per pound 0.09½; French: per 55 lbs 4.50-4.60; Cypriot: 4.80-5.00. Onions—Spanish: 2.40-2.30; Israeli: 2.60-3.00; Dutch: 2.60-2.80; Greek: 3.80-4.00. Melons—Israeli: Yellow 3.50-3.60. Ogens 3.25-4.00. Water-Melons—Israeli: 2.80.

English produce: Apples—Per 30 lbs Bramley's 3.60-3.90. Lettuce—Per 12 round 1.20, cos 1.40. Cucumbers Per tray 12 1.00, 14 1.10, 16 1.20, 18 1.20. Celery—Per 12 to 24 1.50-2.00. Tomatoes—Per 12 lbs 1.80-2.00. Strawberries—Per ½-lb 0.09-0.12. Peas—Per 28 lbs 2.50. Broad Beans—Per 20 lbs 1.00. Gooseberries—Per pound 0.10-0.12. Cauliflowers—Per 12 0.90-1.00. Mushrooms—Per pound 0.25-0.30. Cabbages—Per bag. Primo, 1.20. Onions—Per 56 lbs 1.50. Cherries—Per pound 0.20-0.25. Marrows—Per each 0.15-0.20.

JUTE

DUNDEE—Quiet. Prices c. and f. U.K. for June-July shipment: BWB £201, BWC £194, BWD £187. Tossa: BTB £203, BTC £196, BTD £189. Calcutta goods steady. Quotations c. and f. U.K. for *June shipment: 10-oz 40-inch £8.67, 7½-oz* £5.25 per 100 yards, July £7.03 and £5.36, Aug.-Sept. £7.23 and £5.48. "B" twills: £23.10, £22.94 and £22.53 for the respective *shipment periods. Yarn and cloth very* quiet.

★

GRIMSBY FISH—*Supply fair, demand* fair. Prices per stone at ship's side, unprocessed: Shelf cod £1.60-£2.00; codlings £1.20-£1.60; large haddocks £2.20-*£2.30, medium £1.90-2.10; small £1.50-£1.70;* medium plaice £3.00, small £2.20; skinned dogfish £4.80, medium £4.40; coalfish 95p-£1.00; rockfish £1.00-£1.40; lemon sole *£3.50; reds 80p-£1.00.*

★

COPRA—Philippines: July $225, Aug-Sept. $230 *re-sellers per tonne* c.i.f. North European ports.

★

HIDES—Manchester. Generally steady to firmer. Second clear ox 31-35.5 kilos 24.7p per kilo; 26-30.5 kilos 24.6p; 22-25.5 kilos 24.7p. Light cows 22.7p. No calf offered.

ITALY SUSPENDS NON-EEC OLIVE OIL IMPORTS

ROME, June 24.

The Italian Government had *suspended temporarily the issue* of certificates for olive oil imports from countries outside the EEC, said a spokesman of the Italian Olive Oil Association.

The decision was taken under an EEC safeguard clause, which applied when a dangerous stock and price level was reached in any commodity.

Reuter

PRICE CHANGES

Prices per ton unless otherwise stated.

	June 24 1975	+ or —	Month ago
Metals			
Aluminium (a)	£595	......	£595
Free market cif	£280-305	......	£275-280
Copper §			
Cash Wire Bars (a)	£519.75	-1.75	£548.5
3 month do. do. (a)	£538	-2.25	£569.75
Cash Cathode (a)	£508.25	-1.75	£538.5
3 months do. (a)	£526.75	-1.5	£558.5
Gold ... Troy oz.	$162.5	+0.25	$172.25
Lead Cash (a)	£158.5	+0.25	£155.5
3 months (a)	£161.75	+0.5	£158.5
Nickel (a)	£1,917	......	£1,880
Free market cif lb	$1.95-2.0	......	$1.75-1.9
Platinum troy oz.	£69-73.5	......	£67-71.5
Free Market	£65.75	+0.75	£64-68
Quicksilver (76lbs)	$115-120	+2.5	$152-157
Silver Troy oz.	197.6p	+0.35	202.6p
3 months	202.9	+0.35	208.2p
Tin Cash (a) §	£3,072.5	+34.5	£2,975
3 months (a)	£3,057.5	+18.5	£3,018
Wolfram 22.04lb cif	$39-40	......	$41-42½
Zinc Cash (a) §	£329.5	-2.0	£318.5
3 months (a)	£316.75	+3.25	£302
Producers (a)	$860	......	$860
Oils			
Coconut Malayan	£160*	......	£175
Groundnut			
oil	‡	......	£586
Linseed Crude (u)	£450	......	£467
Palm Malayan (a)	£149	......	£168
Soyabean (a)	‡	......	‡
Seeds			
Copra Philipp ton	$225	......	$240
Gr'nuts Nigerian	‡	......	‡
Linseed Can. No. 1	£156	-1.5	£167.5
Grains			
Barley EEC	£54.5	......	£50.75
Homes Futures	£56	+0.25	£53.05
Maize			
French No.3 Am.	£54.75r	......	£51.75
S.A. Yellow Flint	£65h	......	£61
Wheat			
No. 1 Red Spring	‡	......	‡
No. 2 Hard Winter	‡	......	£65.7
Australian (f.a.q.)	‡	......	‡
English Milling	£55.5	......	£52.5
Cocoa Shipment (u)	£532.5	+15.0	£578.5
futures Sept. (u)	£451.75	+10.25	£448.50
Coffee Shipment (c)			
futures Sept. (U lb)	£458.25	+5.5	£487.25
Cotton 'A' Index			
cent.	54.05	......	54.45
Jute UJ ABWC (d)	£200v	......	£224
Rubber ... kilo	31.5p	+0.5	27p
Sisal EA3L (a)	$600*	......	$650
Sugar	£133	+4	£177
Wooltops 64s ... kilo	190p	......	197p
Cloves (Madagascar)	£2,400	......	£2,350
Pepper White ... ton	£850	......	£835
Black ... ton	£635	......	£635

* Nominal. † Seller. § Unofficial close. ♣ Indicative price. b U.K. and Commonwealth refined. *c Uganda Robusta standard* grade indicative prices f.o.b. Mombasa U.S. cents a pound. d Bangladesh white "C." ‡ Unquoted. a Seller's quotation *h August. k June. u Metric tons.* r July. v June-July. s July-Aug. t Nov. q May-June. w Nov.-Jan.

FINANCIAL TIMES

June 24	June 23	Month ago	Year ago
157.90	155.92	156.26	211.64

(Base: July 1, 1952=100)

REUTER'S

June 24	June 23	Month ago	Year ago
1053.0	1059.9	1061.8	1270.0

(Base: Sept. 18, 1931=100)

DOW JONES

Dow Jones	June 24	June 23	Month ago	Year ago
Spot	268.34	266.96	273.59	360.44
Future	247.03	244.38	254.10	316.11

(Average 1924-25-26=100)

MOODY'S

Moody's	June 24	June 23	Month ago	Year ago
Sple Comm'ty	732.1	732.7	728.2	944.5

(Dec. 31, 1931=100)

COTTON

LIVERPOOL COTTON—Spot and shipment sales amounted to 88 tonnes, leaving the total for the week so far at 88 tonnes, F. W. Tattersall reports. Small follow-up business was recorded in various South American and Middle Eastern qualities, but trading was narrow as many spinners adopted a cautious policy.

U.S. Markets

Beans off on crop reports

NEW YORK, June 24.

SILVER rallied on late short-covering and chartist buying. In featureless trading, copper closed unchanged to higher. Cocoa finished higher on speculative short-*covering. Trade and commission buying* forced sugar higher. Chicago grains advanced in maize and wheat on lack of country movement, which prompted local *and commercial buying.* Beans edged lower on reports of favourable growing conditions, Bache reports.

Cocoa—Ghana spot 63 (63½). Bahia spot 53 (52½). *July 47.65 (46.20), Sept. 43.25* (41.90). Dec. 42.15, March 42.60 May 42.95, July 43.15, Sept. unquoted. Sales: 1,286.

Coffee—Spot Santos No. 4 unquoted (63.00 asked). Colombian Mams unquoted (71). "C" Contract: July 52.10-52.05 (53.40), Sept. 54.90 (55.40), Nov. 55.30 bid, Dec. 56.15-56.20, March 56.15-56.20, May 56.60. Sales: 361.

Copper—June 52.80 (52.70), July 52.90 (52.60), Aug. 53.30, Sept. 53.70 settlements. Sales: 1,585.

Cotton—July 46.90 (46.10), Oct. 48.75-48.85 (47.85), Dec. 49.20-49.30, March 50.10 May 50.75-50.85, July 51.40-51.45, Oct. 51.90 bid, Dec. 52.10 bid. Sales: 2,415.

♣**Gold**—June 163.30 (162.20), July 163.80 (162.60), Aug. 164.50, Oct. 166.90, Dec. 169.40, Feb. 171.50, April 174.20, June 176.60, Aug. 179.10, Oct. 181.60. Sales: 535.

Greasewool—Spot 133.0 nom. (133.5 nom.). July 132.5-136.0 (132.5). Oct. 135.0-136.0 (134.5), Dec. 136.0-139.0, March 136.0-139.0, May 138.0-142.0, July 138.0 bid, Oct. 136.0 bid.

†**Lard**—Chicago loose 29½ asked (30 asked). NY drummed 34½ nom. (34½ nom.).

††**Maize**—July 289-288½ (287-287½). Sept. 267½-267½ (265-267), Dec. 250½-250½, March 258½ May 260½.

‡**Platinum**—July 149.00 (148.30). Oct. 152.00 (151.50), Jan. 155.30, April 159.30 bid, July 161.60 bid, Oct. 165.00-165.20 Sales: 100.

‡‡**Silver**—Spot 448.50 (447.50). June 456.30 (445.50), July 456.80 (446.10), Aug. 460.20, Sept. 463.60, Dec. 473.90, Jan. 477.10, March 483.90, May 490.50 July 497.00, Sept. 503.50. Sales: 6,935.

***Soyabeans**—July 516-517 (519). Aug. *512½-512 (514½), Sept. 509½-505, Nov. 505*-507, Jan. 515-514, March 522, May 530, July 533, Aug. 534.

b**Soyabean Meal**—July 124.90-125.00 *(125.70) Aug. 126.00-128.20 (126.50), Sept.* 127.50, Oct. 128.50-126.70, Dec. 129.60, Jan. 131.00-131.50, March 132.50-133.00.

Soyabean Oil—July 22.60-22.55 (22.35), *Aug. 21.65-21.60 (21.50), Sept. 20.15-20.00,* Oct. 20.60, Dec. 20.15-20.20, Jan. 20.00-19.95, March 19.80-19.85, May 19.70-19.75 July 19.50-19.60, Aug. 19.50.

Sugar—*Spot 13.33 (12.75).* July 13.15-13.21 (11.65), Sept. 12.31-12.40 (11.90). Oct. 12.20-12.28, Jan. 12.22 nom., March 12.20-12.23, May 12.21 asked, July 12.25, Sept. *12.00-11.97, Oct. 12.00-11.90. Sales: 5,209.*

Tin—316.00-371.50 (same).

****Wheat**—July 322-321½ (316-318½). Sept. 328½-329 (323-322½), Dec. 340-339, March 349-350, May 353.

WINNIPEG, June 24 ††**Rye**—July 215½ bid (218), Oct. 216½ asked (215½), Dec. 213 bid, May 210 nom.

c**Oats**—July 162 bid (163½), Oct. 149½ bid (151), Dec. 145½ bid May unquoted.

§**Barley**—July 231½ (233½), Oct. 216 asked (217½), Dec. 211½ asked, May 215 asked.

d**Flaxseed**—July 775 (784½), Oct. 754 bid (764), Nov. 749 asked, Dec. 719 asked, May 680 asked.

Wheat—SCWRS 13.5 per cent. protein content St. Lawrence 460½ (461).

All cents per pound ex-warehouse unless otherwise stated. *Cents per 60-lb bushel ex-warehouse. ♣ $'s per troy ounce—100-ounce lots. † Chicago loose $'s per 100 lbs — Dept. of Ag. prices previous day. Drummed $'s per 10 lbs f.o.b. NY. ‡‡ Cents per troy ounce ex-warehouse. b New "B" contract in $'s a short ton for bulk lots of 100 short tons delivered f.o.b. cars Decatur and Illinois. ‡ $'s per troy ounce for 50-ounce units of 99.8 per cent. purity delivered NY. **Cents per 60-lb bushel in store. ††Cents per 56-lb bushel ex-warehouse. 5,000 bushel lots. c Cents [illegible] bushel. § Cents per 48-lb bushel [illegible] 5,000 bushel lots. d Cents [illegible] bushel, ex-warehouse. 1,000-bushel [illegible]

STOCK EXCHANGE REPORT

Widespread setback in equities but gilt-edged firmer

Share index down 8.5 at 310.3—Metal Box "rights" offer

Account Dealing Dates

*First Dealings	Declarations	Last Dealings	Account Day
Jun. 16	Jun. 26	Jun. 27	July 8
Jun. 30	July 10	July 11	July 22
July 14	July 24	July 25	Aug. 5

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Equity markets passed another depressing session yesterday, but British Funds found some comfort in the possibility of a cut-back in public expenditure and closed with widespread improvements to ¼ which left the Government Securities index 0.23 higher at 58.55.

Leading industrials met further persistent selling to show fresh falls ranging to 9 and occasionally more. Although closing prices were above the day's worst, the technical rally which developed in the afternoon carried little force behind it and prices began to tail off again in the late dealings. The pattern of trade was reflected in the FT 30-share index which closed 8.5 down at 310.3, after having been 9.5 lower at noon and 6 points off at 2 p.m.

News of the proposed £24m. "rights" issue weakened Metal Box, down 20 at 236p, while ICI, 9 lower at 216p, were again particularly unsettled by the unresolved pay dispute. Elsewhere, Food Retailing shares stood out in the general setback and the FT-Actuaries index for the section dropped 6.1 per cent. to 122.35, sentiment here being adversely affected by fears of further price curbs. Store shares also remained on offer for a similar reason. Few sectors, however, escaped the malaise, this being reflected in a loss of 2.3 per cent. to 137.32 in the FT-Actuaries All-share index. Although trading remained at a relatively low ebb, there was a noticeable rise in official markings of 6,109 compared with 4,845 on Monday.

Gilts improve

Despite fresh pressure on sterling and the increase in U.S. Treasury Bill rates, gilt-edged stocks traded firmly. Underlying sentiment was possibly helped by hopes of Government measures to cut-back public expenditure. Interest in the shorts again concentrated on low-coupon stocks with Electric 3 per cent., 1974-77, at 93, and Treasury, 3½ per cent., 1977-80, at 76½, both improving ¼. Otherwise, gains were mostly limited to 1/16 in this area. Mediums and longs made further headway, closing with widespread gains to ¼.

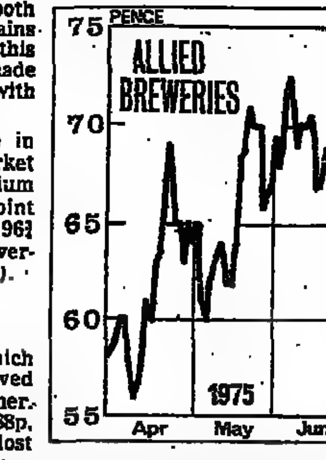
Activity was at a low ebb in the investment currency market yesterday, although the premium managed to close another point up at 96½ per cent. after 96¾ per cent. Yesterday's SE conversion factor was 0.5875 (0.5880).

Insurances dull

Persistent small selling, which continued "after-hours," served to depress Insurances further. Guardian Royal Exchange, 188p, and Sun Alliance, 392p, both lost 11, while Commercial Union gave up 8 to 156p and Phoenix fell 6 to 194p, with the "new" nil-paid shares a similar amount down at 14p premium. Eagle Star also shed 6 to 112p and Pearl declined 6 to 186p.

After Monday's sharp reactions, the big four Banks held comparatively steady yesterday and, with the exception of Midland, which cheapened 5 more to 250p, closed at their overnight levels. Discounts, however, declined throughout with Gerrard and National 8 off at 250p and Alexanders 7 lower at 180p. Merchant bank casualties included Guinness Peat, 8 down at 140p, and Schroders, 25 easier in a thin market at 360p.

Sold down to 62p in front of the interim results, Allied Breweries rallied on the better-than-expected figures and encouraging remarks about second-half prospects to close only 1½ easier on balance at 65p. Arthur Guinness shed 4 to 111p and Wolverhampton and Dudley eased 5 to 116p. Elsewhere, persistent small offerings took Distillers down 4½ more to 132p.



Buildings made another poor showing. Taylor Woodrow declined 13 to 293p, while Associated Portland Cement, 135p, and Geo. Wimpey, 113p, lost 6 apiece. May and Hassell, still on the profits setback shed 3 more to 58p, while Phoenix Timber were lowered 8 to 54p. Against the general trend, John Finlan hardened 1½ to 14p.

ICI, reflecting concern about the current pay talks, came back 9 more to 263p. Fisons fell 10 to 385p, while Albright and Wilson, 64p, Farm Feed, 32p, and Plysu, 30p, all closed 4 cheaper. Lankro eased 2 to 95p following Press comment on the results.

Anglia 'A', 4½ up at 68½p, provided a good late spot in Television Contractors following the interim statement. On the other hand, Associated 'A' eased 3 to 40p on small selling in front of tomorrow's preliminary figures.

Marks and Spencer sold

Stores continued to lose ground on fears about a further squeeze on margins, although falls were not as large as the previous day. Marks and Spencer were again on offer, losing 8 more at 201p for a two-day fall of 17. "Gussies" "A," 165p, and British Home Stores, 304p, gave up 6 apiece, while UDS finished 4 cheaper at 84p. Burton Group "A" eased 2 to 54p, but House of Fraser managed to close at the overnight level of 78p following the chairman's remarks at the annual meeting. S. and U. Stores shed a penny to 8p on the preliminary figures. Allied Retailers were lowered 6 to 70p, while newsagencies had a couple of dull spots in J. Menzies and W. H. Smith "A" both 8 cheaper at 130p and 360p respectively. Against the trend, Knott Mill improved 3 to 17p. Mail Orders retreated following Press comment, Empire Stores closing 5 off at 191p and Freemans (London) 6 easier at 156p.

Electrical leaders picked up well in places in the afternoon from early dullness, but turned easier again at the close. EMI were finally 2 cheaper at 173p, after touching extremes of 169p and 176p, while GEC ended unchanged at 118p, after 117p and 120p. Plessey, in front of to-day's annual results, closed 3 lower at 66p. Thorn Electrical finished 2 softer at 160p, after 156p. Philips' Lamp moved in line with the firmer investment premium and recorded a gain of 10 at 765p. Elsewhere, Electrocomponents provided a firm exception at 108p, up 4, in response to the increased profits. Racal Electronics, however, lost 4 to 262p awaiting to-morrow's preliminary figures.

Falls in the Engineering leaders were not as severe as on Monday, with Hawker the day's major casualty at 258p, down 8. Tube Investments rallied well from 236p to close only a net 4 cheaper at 242p, while Vickers ended 3 lower at 128p and GKN only 2 off at 230p. Secondary issues, however, suffered a little worse. Particularly dull were Walmsley (Bury), which slumped 7 to a 1975 "low" of 27p following the interim dividend omission and half-year loss. The board's strong rejection of the increased offer from Johnson Firth Brown (2 lower at 45p) left N. Greening 3½ easier at 25½p, while persistent small offerings brought reactions of 7 and 8 respectively to Blackwood Hodge, 127p, and Brockhouse, 130p. By way of contrast, Permali, 17p, and Edgar Allen, 48p, both improved a penny following trading statements.

Foods closed with a lengthy list of sizeable losses, sentiment being affected by fears any intensification of price controls on margins. John Sainsbury lost another 9 at 143p following adverse Press comment, while Cavenham gave up a similar amount at 118p. Highgate and Job declined 9 to 85p on the profits setback. Taverner Rutledge, 55p, and Linfood, 162p, lost 10 apiece. British Sugar were 13 off at 370p, while biscuit manufacturers had Associated and United both 7 easier at 54p and 84p respectively. Geo. Bassett closed unchanged at 60p, after 56p, following better-than-expected results. Tesco featured Supermarkets with a fall of 3½ to 41p following an adverse Press mention. Kwik Save Discount were 8 cheaper at 178p and Hillards 11 lower at 72p.

J. Lyons "A" remained a dull market, losing 6 more at 156p for a two-day fall of 16.

Metal Box weak

The proposed £24m. "rights" offer together with the cautious remarks on current year profits caused marked dullness in Metal Box, which ended 20 cheaper at 236p, after 233p. Reckitt and Colman were 16 lower at 305p, but other miscellaneous Industrial leaders closed above the day's worst with fresh losses limited to 6, as in Wilkinson Match, 130p. Beecham, 273p, after 270p, and Bowater, 155p, after 152p, both ended 5 lower, while Unilever managed to close unaltered at 366p, after touching extremes of 360p and 370p. Elsewhere, I.C. Gas, after moving lower to 330p, responded to the increased profits with an improvement to 343p for a net gain of 8. However, GRA Property Trust ended 3½ off at 22p on the poor results. Eastern Produce shed 2 to 24p on the preliminary statement, while the fall in profits left Russell Bros. (Paddington) 2 easier at 38p.

Consideration of Monday's late results left Godfrey Davis 4½ down at 80p. Elsewhere in easier Motors, Rolls-Royce lost 2½ to 59p, Dunlop a penny to 48p and Lucas Industries 5 to 103p. Associated Engineering declined 3½ to 50p, but Abbey Panels held at 26p after slightly higher interim profits.

Newspapers and Papers contributed to the general market malaise. Thomson Organisation declined 8 to 182p, while Associated Newspapers, 91p, and Daily Mail "A", 170p, lost 5 apiece. News International eased 3 to 98p despite the chairman's optimistic remarks at the annual meeting.

Property leaders closed modestly easier, declines of 3 occurring in English Property, 69½p, Land Securities, 172p, after 170p, and MEPC, 115p. Stock Conversion led secondary issues into lower ground with a fall of 9 to 143p. Imry Property receded 12 to 210p in a thin market, while Hammerson "A" lost 10 to 388p and Warnford Investments, after the full report, ended 5 off at 168p. London Shop Property, 44p, softened 4. News of the proposed "rights" offer of 9 per cent. Convertible Loan Stock left Property Holding and Investment 3 easier at 210p. Peachey slipped 3½ to 28p.

Oils above worst

After losing further ground in the early stages, Oil leaders attempted to rally. Shell Transport managed to finish only a penny easier at 307p, after 301p, while British Petroleum, after receding to 512p and then recovering to 521p, turned downwards again to 515p for a fresh loss of 5. Burmah were finally unaltered at 30p, after 29p, while the firmer investment premium helped Royal Dutch to pick up ⅛ to £28⅛. Elsewhere, Ultramar ended above the day's lowest with a net loss of 6 at 194p, after 190p, while Berry Wiggins receded 6 to 74p and Tricentrol shed 3 to 55p. Premier Consolidated Oilfields failed to benefit from the chairman's confidence expressed in the full report and closed a penny off at 9p with the "new" nil-paid 2½ cheaper at 3½p premium. Among Overseas issues, Pan Ocean declined 30 to 830p, but Woodside-Burmah edged up 3 to 68p.

Overseas Traders were notable for a fresh fall of 7 to 145p in Booker McConnell, while James Finlay receded 6 to 117p and Inchcape 5 more to 380p. Lonrho, however, recouped an initial fresh loss of 4 and closed unaltered on the day at 180p.

Trusts and Financials generally closed easier with falls stretching to 10. That much lower were Dualvest Capital, 120p, London and Montrose, 137p, and Nelson Financial, 408p. The disclosure that talks were in progress which could lead to a merger failed to inspire City and Gracechurch, which shaded 1 to 39p, and General Investors and Trustees, 5 lower at 82p. Lubok 12 per cent. Convertible ran back 10 points more to £158.

Reardon Smith "A" featured dull Shippings, falling 18 to 190p following the chairman's profits warning in his annual statement.

Fresh persistent small selling caused a further decline of 4 to 117p, after 116p, in Courtaulds, while nervousness ahead of tomorrow's interim results saw Sidlaw Industries decline 3 to 59p. Similarly lower were F. Miller, 42p and Nottingham Manufacturing, 59p, while British Cotton and Wool Dyers cheapened 2 to 16p in front of results not known during market hours. By way of contrast, Dawson International Ordinary and "A" both hardened 1 to 22p and 21p respectively despite the sharp contraction in preliminary profits.

Another day of small selling saw Bats lose 10 more to 305p in Tobaccos.

Teas closed slightly firmer where changed. Assam Dooars improved 3 to 87p, while Assam Investments and Williamson were both a penny dearer at 48p and 75p respectively.

Quiet mines

It was a quiet day in Mining markets generally. Gold shares closed with mixed movements which left the Gold Mines index virtually unchanged at 386.2, while the current weakness of sterling found little reflection in the price of gold which ended the day a mere 25 cents up at $162.50 per ounce.

Free State Saaiplaas were unchanged at 235p following news of satisfactory progress with the mine's big expansion programme and the acceptance of the shares for American Depositary Receipts and thus for trading on the "over-the-counter" market in New York. Otherwise, Kloof (£11¼) rose ¼ and Libanon were that fraction easier at £13¼.

In the Finance group, Transvaal Consolidated Land attracted a fresh investment interest and rose ¼ to £14. Selection Trust eased slightly to 560p; the group, which has just announced a venture for the provision of underground storage facilities for North Sea oil and gas, is due to report its 1974-75 results on July 2. Platinums eased with Potgietersrust losing 5 to 218p.

A feature of Australians was the coal-producing Utah Mining Australia which jumped 50 to 725p. Mining Corporation of Australia were called a rather nominal 90p following news of the bid of 102 cents (60p ex-premium) per share from the Esperance Bay company. Pancontinental rose 10 to 325p.

Occasional losses of a few pence were seen in Tin shares with Malayan falling 4 to 173p. Coppers also lost ground. Botswana RST came back 8 to 103p and Messina lost 5 to 330p. "Tanks" dropped 8 further to 192p.

Elsewhere, Consolidated Murchison fell another 10 to 720p on profit-taking after their recent advance. Northgate improved 10 to 285p and Tara were ⅛ up at £10⅝.

FINANCIAL TIMES STOCK INDICES

—	June 24	June 23	June 20	June 19	June 18	June 17	A year ago
Government Secs.	58.55	58.32	58.16	58.12	58.09	58.09	54.60
Fixed Interest	57.89	57.81	57.79	57.75	57.57	57.54	54.12
Industrial Ordinary	310.3	318.8	[illegible]	328.6	326.0	330.6	253.2
Gold Mines	386.2	386.1	381.9	383.7	378.7	370.0	297.0
Ord. Div. Yld. %	6.51	6.35	6.06	6.15	6.17	6.09	7.89
Earnings Y'ld.% (full)	19.26	18.76	17.89	18.16	18.23	17.99	20.48
P/E Ratio (net) (a) (b)	7.42	7.62	8.00	7.86	7.82	7.93	6.89
Dealings marked	6,109	4,845	4,743	4,588	6,745	5,698	†5,168
Equity turnover £m.	—	52.80	48.90	38.50	39.47	50.07	35.22
Equity bargains total	—	13,581	12,350	11,575	11,606	13,642	10,528

10 a.m. 311.4. 11 a.m. 309.6. Noon 309.3. 1 p.m. 310.1.
2 p.m. 312.8. 3 p.m. 312.1.

Latest index 01-246 8026. † Excluding regional exchanges.
(a) Based on 52 per cent. corporation tax. (b) Nil=7.38.
Basis 100 Govt. Secs 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. S.E. Activity July-Dec. 1942.

HIGHS AND LOWS

—	1975 High	1975 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	62.34 (20/3)	49.18 (3/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	62.31 (21/3)	50.63 (3/1)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	366.5 (5/6)	146.0 (6/1)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	442.3 (22/5)	280.2 (20/1)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

—	June 24	June 23
Daily—		
Gilt-Edged	146.0	110.0
Industrials	217.2	176.1
Speculative	50.9	64.5
Totals	139.0	110.5
5-day Av'r'ge		
Gilt-Edged	126.5	124.2
Industrials	186.8	183.2
Speculative	50.5	50.4
Totals	110.5	116.6

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS

GROUPS & SUB-SECTIONS

Figures in parentheses show number of stocks per section.

		Tuesday, June 24, 1975: Index No.	Day's Change %	Est. Earnings Yield % (Max) Corp. Tax 52%	Gross Div. Yield % (ACT at 35%)	Est. P/E Ratio (net) Corp. Tax 52%	Est. P/E Ratio (nil) Corp. Tax 52%	Monday June 23 Index No.	Friday June 20 Index No.	Thurs. June 19 Index No.	Wed. June 18 Index No.	Year ago (approx.) Index No.	Highs and Lows Index: 1975 High	1975 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (181)	116.22	−2.0	20.04	6.90	7.59	7.59	118.64	121.27	119.43	119.75	90.34	131.26 (6/6)	51.78 (6/1)	206.37 (4/5/72)	15.70 (13/12/74)
2	Building Materials (30)	99.86	−1.7	19.92	7.87	7.72	7.71	101.54	103.40	101.26	101.89	89.52	117.40 (22/4)	48.11 (8/1)	233.84 (2/5/72)	44.27 (11/12/74)
3	Contracting, Construction (23)	215.56	−3.5	17.62	5.15	8.43	8.43	221.39	225.90	224.54	226.65	145.48	251.61 (25/4)	74.74 (6/1)	389.53 (19/5/72)	71.48 (12/12/74)
4	Electricals (16)	210.19	−0.9	17.71	5.64	8.14	8.12	212.19	219.56	214.63	214.55	169.92	254.64 (6/6)	98.49 (2/1)	350.04 (4/5/72)	84.71 (25/6/62)
5	Engineering (Heavy) (13)	139.95	−2.9	25.10	7.72	6.05	6.05	144.11	146.62	146.04	144.39	97.66	159.79 (22/4)	64.39 (2/1)	202.57 (3/5/73)	64.39 (2/1/75)
6	Engineering (General) (65)	102.79	−2.5	21.59	7.85	6.86	6.86	105.41	107.55	105.93	106.20	74.60	117.40 (6/6)	45.43 (6/1)	168.59 (4/5/72)	45.43 (6/1/75)
7	Machine and Other Tools (11)	42.30	−1.3	14.55	8.42	12.41	12.41	42.73	42.96	42.99	42.46	32.14	46.98 (20/6)	20.11 (2/1)	136.70 (4/7/69)	19.96 (13/12/74)
8	Miscellaneous (23)	103.85	−2.0	23.28	7.44	6.35	6.58	106.01	110.25	109.52	109.42	83.37	121.76 (6/6)	49.65 (6/1)	177.41 (27/4/72)	49.65 (6/1/75)
9	CONSUMER GOODS (DURABLE) (59)	82.75	−2.5	21.45	7.42	6.94	6.93	84.95	86.75	85.86	85.99	79.05	93.15 (6/6)	38.39 (6/1)	227.78 (21/4/72)	38.39 (6/1/75)
10	Electronics, Radio TV etc. (15)	95.35	−2.2	21.09	5.43	6.90	6.90	97.45	100.18	98.70	99.23	94.39	106.54 (6/6)	44.88 (6/1)	257.41 (19/5/72)	42.85 (12/12/74)
11	Household Goods (15)	125.66	−3.0	34.26	8.55	4.24	4.24	129.52	131.44	131.05	131.38	126.99	146.90 (25/4)	64.65 (6/1)	263.22 (4/5/72)	68.92 (17/12/74)
12	Motors and Distributors (29)	45.05	−3.1	16.49	9.56	9.55	9.56	46.50	47.11	46.98	46.51	39.88	50.91 (6/6)	19.91 (6/1)	170.89 (15/1/69)	19.91 (6/1/75)
13	CONSUMER GOODS (NON-DURABLE) (164)	128.62	−2.9	15.76	6.44	9.06	9.02	132.40	136.92	134.50	135.50	99.02	146.45 (6/6)	61.95 (6/1)	226.08 (16/8/72)	61.41 (23/12/74)
14	Breweries (16)	148.02	−0.9	13.59	6.76	11.22	11.22	149.41	154.55	151.75	149.95	115.15	165.55 (6/6)	75.56 (8/1)	251.67 (28/11/72)	69.47 (13/12/74)
15	Wines and Spirits (8)	160.52	−1.4	14.02	5.66	10.51	10.51	162.75	166.62	160.57	163.00	125.07	176.43 (6/6)	80.42 (6/1)	287.40 (13/7/72)	78.88 (13/12/74)
16	Entertainment, Catering (16)	144.42	−1.8	15.49	7.78	9.59	9.59	147.11	151.48	148.86	148.65	107.79	158.44 (27/5)	55.26 (6/1)	329.99 (12/12/72)	54.83 (8/1/75)
17	Food Manufacturing (22)	140.28	−2.4	14.87	5.59	9.21	9.17	143.79	148.56	146.79	146.14	98.57	156.57 (6/6)	62.08 (2/1)	211.65 (1/5/72)	59.67 (11/12/74)
18	Food Retailing (16)	122.35	−6.1	13.00	6.22	11.21	11.21	130.36	135.21	133.91	136.01	86.64	140.17 (4/6)	57.15 (2/1)	235.08 (15/2/72)	54.25 (11/12/74)
19	Newspapers, Publishing (15)	133.12	−5.8	17.09	7.16	8.36	8.36	138.42	141.91	140.13	141.17	119.14	152.14 (6/6)	58.08 (6/1)	260.29 (18/1/72)	56.08 (6/1/75)
20	Packaging and Paper (13)	86.70	−7.5	27.52	7.88	5.30	5.31	93.57	97.13	95.65	96.27	67.84	107.12 (20/5)	45.46 (6/1)	135.69 (25/4/72)	45.45 (6/1/75)
21	Stores (30)	110.69	−2.7	12.64	5.86	11.91	11.91	113.78	118.55	117.70	119.68	81.89	132.94 (20/5)	52.63 (6/1)	204.39 (16/8/72)	52.63 (6/1/75)
22	Textiles (19)	128.22	−2.7	27.71	8.23	4.26	4.15	131.73	137.52	133.21	134.44	110.34	145.07 (27/5)	52.91 (6/1)	253.72 (17/9/62)	52.66 (11/12/74)
23	Tobacco (3)	179.82	−5.6	16.41	7.41	8.07	8.07	186.51	190.76	185.56	186.19	164.79	199.16 (10/3)	109.92 (6/1)	339.16 (2/8/72)	94.34 (13/6/62)
24	Toys and Games (6)	41.09	−1.6	30.74	7.51	4.55	4.55	41.85	41.70	41.53	42.07	55.96	44.08 (5/6)	20.92 (6/1)	135.72 (18/1/70)	20.92 (6/1/75)
	OTHER GROUPS (92)															
25	Chemicals (25)	166.31	−2.6	21.16	5.44	6.77	6.77	170.77	175.49	174.33	174.59	121.38	189.17 (6/6)	73.14 (6/1)	201.92 (31/1/69)	71.20 (11/12/74)
26	Office Equipment (10)	84.55	−3.1	16.90	6.28	7.97	7.97	87.28	87.54	87.04	87.50	90.90	104.78 (17/4)	45.34 (3/1)	246.06 (1/9/72)	45.34 (2/1/75)
27	Shipping (11)	330.30	−3.1	24.15	7.27	5.26	5.11	340.75	350.25	346.77	346.97	312.46	401.84 (10/3)	194.38 (6/1)	517.00 (5/12/72)	90.80 (29/6/62)
28	Miscellaneous (46)	134.26	−2.7	19.65	7.31	7.37	7.37	137.99	141.45	139.96	139.99	109.46	153.56 (6/6)	60.39 (6/1)	258.83 (2/5/72)	60.39 (6/1/75)
29	INDUSTRIAL GROUP (496)	126.94	−2.6	18.27	6.55	7.86	7.86	129.65	133.45	131.46	131.94	99.91	143.43 (6/6)	59.19 (6/1)	220.17 (1/5/72)	59.01 (13/12/74)
30	OILS (4)	281.96	−0.5	26.10	5.56	4.11	3.88	283.39	291.60	287.56	287.09	193.92	296.47 (4/6)	105.83 (2/1)	431.66 (29/5/69)	87.23 (29/6/62)
31	500 SHARE INDEX	139.19	−2.3	19.50	6.35	6.89	6.74	142.47	146.62	144.49	144.66	107.91	156.14 (6/6)	63.49 (6/1)	227.95 (16/8/72)	63.49 (13/12/74)
32	FINANCIAL GROUP (100)	129.49	−2.1	—	5.59	—	—	132.25	137.43	135.75	136.29	98.15	148.45 (20/5)	56.50 (6/1)	241.41 (11/4/72)	55.88 (13/12/74)
33	Banks (6)	166.16	−0.6	23.95	5.08	6.22	6.22	166.05	166.02	160.40	160.51	124.25	177.11 (6/6)	62.56 (2/1)	288.32 (20/7/72)	62.44 (12/12/74)
34	Discount Houses (9)	141.55	−1.8	—	8.51	—	—	144.18	146.14	146.14	146.55	114.70	159.27 (7/5)	84.13 (6/1)	293.13 (2/5/72)	81.40 (10/12/74)
35	Hire Purchase (5)	87.20	−2.5	26.52	10.50	4.64	4.26	89.47	94.66	91.25	91.07	158.16	134.39 (10/3)	42.81 (6/1)	433.72 (4/5/72)	38.85 (11/12/74)
36	Insurance (Life) (9)	103.75	−2.5	—	6.56	—	—	106.42	111.50	109.84	110.71	81.56	127.97 (25/4)	44.88 (2/1)	194.45 (15/3/72)	44.88 (2/1/75)
37	Insurance (Composite) (7)	105.94	−2.4	—	6.56	—	—	108.46	110.45	111.03	112.22	69.87	123.90 (20/5)	44.47 (2/1)	158.76 (21/4/72)	43.96 (13/12/74)
38	Insurance (Brokers) (8)	192.09	−0.5	10.59	4.41	14.04	14.04	193.05	194.37	194.57	194.57	151.49	211.50 (20/5)	68.96 (7/1)	262.57 (12/12/73)	65.86 (16/12/74)
39	Merchant Banks (19)	79.71	−4.5	—	7.94	—	—	83.30	85.91	84.74	84.79	66.75	94.97 (7/5)	31.21 (7/1)	278.37 (1/5/72)	31.21 (7/1/75)
40	Property (32)	179.52	−3.2	4.08	3.59	36.55	35.07	185.45	189.58	186.88	187.22	111.40	241.22 (22/4)	88.19 (7/1)	357.40 (9/11/73)	56.01 (30/4/65)
41	Miscellaneous (5)	70.32	−2.1	14.19	9.43	10.27	10.15	71.85	73.72	73.56	73.56	75.57	75.78 (23/4)	34.78 (10/1)	303.15 (18/5/72)	33.99 (17/12/74)
42	Investment Trusts (50)	158.78	−2.8	3.19	4.38	31.33	31.33	163.31	165.68	165.04	165.70	111.79	178.53 (6/6)	73.43 (6/1)	245.79 (25/4/72)	71.62 (13/12/74)
43	ALL-SHARE INDEX (650)	137.32	−2.3	—	6.08	—	—	140.53	144.78	142.85	143.27	105.34	154.09 (6/6)	62.16 (6/1)	228.18 (1/5/72)	61.92 (13/12/74)
	COMMODITY GROUPS (*Not included in 500 or All-Share indices*)															
44	Rubbers (10)	421.51	—	14.07	7.81	8.90	8.66	421.44	419.91	417.34	421.75	327.01	525.43 (23/5)	281.66 (2/1)	555.37 (25/1/73)	84.68 (25/8/65)
45	Teas (10)	100.68	+0.5	10.13	8.60	6.65	6.15	100.22	97.25	97.25	97.44	94.71	100.68 (24/6)	76.76 (10/1)	121.47 (1/5/72)	59.22 (17/10/74)
46	Coppers (3)	405.79	+0.8	48.39	18.61	2.07	2.07	402.63	402.63	407.19	407.19	368.50	467.74 (27/5)	374.38 (22/1)	567.78 (13/7/73)	94.08 (23/4/62)
47	Mining Finance (11)	130.27	−0.7	9.37	4.06	11.68	11.64	131.14	131.38	129.83	129.92	85.30	141.34 (30/5)	60.58 (22/1)	175.90 (28/4/69)	66.31 (30/9/74)
48	Tins (8)	98.66	−0.1	10.34	8.40	12.46	10.70	98.76	97.58	100.54	102.16	78.72	114.49 (3/6)	58.91 (8/1)	125.45 (12/1/73)	54.83 (27/5/71)
49	Overseas Traders (13)	211.34	−1.7	16.58	4.27	7.67	7.65	214.97	222.63	219.30	220.11	—	252.23 (20/5)	97.37 (6/1)	252.23 (20/5/75)	97.37 (6/1/75)

	FIXED INTEREST	Tuesday, June 24: Index No.	Yield %	Monday June 23	Friday June 20	Thurs. June 19	Wed. June 18	Tuesday June 17	Monday June 16	Friday June 13	Year ago (approx.)	1975 High	1975 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	14.64	14.74	14.73	14.72	14.71	14.71	14.70	14.68	15.56	—	—	—	—
2	20-yr. Govt. Stocks (6)	47.56	‡13.62	47.32	47.19	47.20	47.22	47.24	47.26	47.35	46.46	53.09 (20/3)	38.27 (3/1)	115.42 (11/3/63)	38.27 (3/1/75)
3	20-yr. Red. Deb. & Loans (15)	46.08	‡15.96	46.03	45.87	45.76	45.76	45.74	45.75	45.79	44.32	50.66 (21/3)	37.01 (3/1)	114.48 (23/10/63)	37.01 (3/1/75)
4	Investment Trusts Prefs. (15)	41.23	16.66	41.40	41.54	41.54	41.63	41.58	41.58	41.92	43.37	46.57 (25/3)	35.35 (3/1)	114.41 (13/9/63)	34.45 (4/12/74)
5	Coml. and Indl. Prefs. (20)	58.87	15.99	58.80	58.88	58.83	58.36	58.08	57.70	58.42	55.89	66.96 (20/5)	48.38 (3/1)	114.95 (7/10/63)	47.87 (8/1/75)

Section or Group	Base Date	Base Value	Section or Group	Base Date	Base Value
Overseas Traders	31/12/74	100.00	Miscellaneous Financial	31/12/70	128.06
Engineering (Heavy)	31/12/71	153.84	Food Manufacturing	29/12/67	114.13
Engineering (General)	31/12/71	153.84	Food Retailing	29/12/67	114.13
Wines and Spirits	/1/70	144.76	Insurance Brokers	29/12/67	96.67
Toys and Games	/1/70	135.72	Mining Finance	29/12/67	100.00
Office Equipment	/1/70	162.74	All Other	10/4/62	100.00
Industrial G	12/70	128.20			

‡ Redemption yield. FT-Actuaries indices are calculated by Extel Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the FT-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By inland post 16p. Commonwealth 18p. Foreign 22p.

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1975 high	1975 low
ICI	£1	16	265	− 7	302	118
BATS	25p	12	305	−10	388	164
Glaxo 'New'	Nil/pd.	12	140*	− 6	192*	138*
Beecham	25p	11	274	− 4	310	136
Bowater	£1	10	156	− 4	185	50
Shell Transport	25p	10	307	− 1	343	118
Boots	25p	9	223	− 2	275	91
GKN	£1	9	230	− 2	277	95
Midland Bank	£1	9	250	− 5	305	122
Rank Org. 'A'	25p	9	146	− 4	205	78
Reed Int'l.	£1	9	232	− 6	297	124
Tube Invs.	£1	9	242	− 4	312	121
British Home Sts.	25p	8	304	− 6	378	138
BP	£1	8	517	− 8	535	190
Cons. Gold Fields	25p	8	246	− 4	290	188

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e).
* Premium.

Option Report—3-month Call rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Jun. 24	July 7	Sept. 18	Sept. 30
July 8	July 21	Oct. 2	Oct. 14
July 22	Aug. 4	Oct. 16	Oct. 28

"Calls" were dealt in Plessey, Burmah Oil, ICI, Capital and Counties, Premier Oil, P and O Deferred and Lonrho. "Puts" were done in Lucas Industries, Ransome Hoffmann and Tesco, while "doubles" were arranged in ICI, Town and Commercial, Premier Oil, Lonrho, Ultramar, Shell Transport and Courtaulds.

Industrials		Grand Met.	9	Slater Walker	13		
		G.U.S. 'A'	20	Spillers	2	Mines	
A. P. Cement	20	Guardian	20	Tesco	6	Anglo Amer.	50
Assoc Leisure	5	G.K.N.	28	Thorn 'A'	20	BrokenHill Pty	75
Barclays Bank	35	Hawker Sidd.	30	Tube Invest.	30	Charter Cons.	22
Beecham	26	House of Fraser	10	Unilever	40	Chart'h'll Fin.	5
Boots Drug	24	Hudson IWllms	6	Utd. Drapery	12	Cons Gold	25
Bowaters	20	I.C.I.	24	Vickers	15	De Beers Def.	25
B A T	65	"Imps"	7	Woolworths	6	F.S. Geduld	350
British Leyland	1¼	I.C.L.	7			Great Boulder	12
British Oxygen	6	Inveresk	10	Property		Hampton Areas	15
Burton 'A'	9	Legal & General	17	Cap. Counties	7	Hampton Prop.	4
Cadburys	6	Lloyds Bank	30	E.P.	11	Kloof	140
Courtaulds	14	"Lofs"	7	Int. Europe	7	Lonrho	19
Debenhams	11	"Mams"	9	Land Securities	22	Loraine	55
Distillers	15	Marks & Sp'ncer	25	Peachey	7	Metals Explor.	8
Dunlop	6	Midland Bank	32	Town & City	6	Poseidon	65
Eagle Star	15	Nat'l West Bank	30	Town & Comm.	7	Pres. Steyn	275
E.M.I.	20	P & O Dfd	16			Rio T. Zinc	20
First National	5	Plessey	10	Oils		Welkom	55
G.R.A. Trust	7	R.H.M.	7	Brit. Petroleum	45	West Areas	75
Gen. Accident	16	Rank Org. 'A'	25	Burmah Oil	6	Western M'ng.	15
Gen. Electric	14	Reed Int'l	28	Shell	80	Zambia Copp	10
Glaxo	40			Ultramar	21		

NEW "HIGHS" AND "LOWS" FOR 1975

The following securities (numbers in parentheses) among those quoted in the Share Information Service yesterday attained new "highs" and "lows" for 1975.

NEW HIGHS (24)

BRITISH FUNDS (2)
Savings 3pc '65-75   Electric 3pc '74-77
COMMONWEALTH & AFRICAN (1)
Aust. 6pc '74-76
AMERICANS (6)
Assoc. Spring   Cutler-Hammer
Baker Oil Tools   Fluor Corp.
City Inv. Cum. Pf.   Quaker Oats
CANADIANS (2)
Bank of Montreal   Rio Algom
BANKS (2)
Copenhagen Hndbk.   Wells Fargo
Trust Bk. of Africa
DRAPERY & STORES (1)
Knott Mill
ELECTRICALS (1)
Sony Co.
ENGINEERING (2)
Expanded Metal   Hall Engineering
INDUSTRIALS (2)
NCR 4pc '93-98   Rennies Cons.
SOUTH AFRICANS (1)
Primrose
TRUSTS (1)
Mercantile Mortgage
TEAS (2)
Assam Inv.   Williamson

NEW LOWS (10)

BUILDINGS (1)
Scottish Homes
DRAPERY & STORES (1)
Andre Bernard
ENGINEERING (2)
Walmsley (Bury)   Whitehouse
INDUSTRIALS (2)
Brit. Steel Const.   Quality Cleaners
MOTORS (1)
Airflow Streamline
PAPER, PRINTING (1)
Cutter Guard
TRUSTS (1)
[illegible] Inv.
OVERSEAS TRADERS (1)
Jamaica Sugar

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	45	1	4
Corpns. Dominion and Foreign Bonds	14	6	52
Industrials	136	791	826
Financial and Prop.	29	376	209
Oils	6	23	17
Plantations	7	5	36
Mines	29	41	81
Recent Issues	6	25	26
Totals	225	1,259	1,285

MONEY MARKET

Large assistance

Bank of England Minimum Lending Rate 10%
(Since May 2, 1975)

Day-to-day credit was in short supply in the London money market yesterday, and the authorities gave a very large amount of assistance, by buying Treasury bills from Discount houses. It seemed possible, on the basis of identified factors, that the official help might have been sufficient to leave banks carrying on a surplus. Banks had brought forward a surplus from Monday, but the market faced a net take-up of Treasury bills, revenue transfers to the Exchequer were greater than Government disbursemntse, there was a rise in the note circulation, the authorities held maturing local government bills, and gilt-edged settlements weighed against the market's favour.

Short-term interest rates were weaker in some cases, in spite of the day-to-day shortage. The one-month sterling certificate yield eased to 9 7/16-9 5/16 per cent., from 9½-9⅜ per cent., the three-month to 9 11/16-9 9/16 per cent., from 9¾-9⅝ per cent., and the 12-month to 10 11/16-10½ per cent., from 10⅞-10¾ per cent. The cuts in rates were made in spite of a stronger tendency in dollar interest rates. But not all rates fell. Local authority rates, for instance, tended to rise.

Discount houses bid 9 per cent. to 9¼ per cent. or 9½ per cent. for secured call loans in the earlier part, but found later balances at 7-8 per cent. In the inter-bank market, overnight loans were in a range of about 9½ per cent. to 7 per cent., opening at or towards the higher end, and finishing at about the lower.

Rates in the table below are nominal in some cases.

June 24 1975	Sterling Certificates of deposits	Inter-bank	Local Authority deposit†	Local Auth. negotiable bonds	Finance house deposit	Company deposits	Discount market deposits	Treasury bills ⊕	Bank bills ⊕	Fine trade bills ⊕
Overnight	—	7-9½	—	—	—	10	7-9½	—	—	—
2 days notice	—	—	9¼-9½	—	—	—	—	—	—	—
†7 days or 7 days notice	—	9-9⅜	9¼-9½	—	10-10⅛	—	9-9⅛	—	—	—
One month	9 7/16-9 5/16	9¼-9⅜	9¼-9⅛	10¼-9¾	9¾-10¼	—	9-9¼	9⅜-9¼	9⅛	9¾-11
Two months	9 7/16-9 5/16	9 7/16-9⅝	—	10¼-9⅝	10-10¼	—	9⅛-9¼	9 11/16-9⅝	9 9/16-9⅝	10-11
Three months	9 11/16-9 9/16	9½-9 9/16	9⅝-9¾	10¼-9⅝	10-11	—	9¼-9⅜	9 7/16-9½	9⅝	10-11
Six months	10 1/16-9 15/16	9⅞-10⅛	10-10⅛	10¼-9¾	—	—	—	—	9⅞-10	10¾-11¼
Nine months	10⅝-10 7/16	10 5/16-10⅜	—	11¼-10¾	—	—	—	—	—	—
One year	10 11/16-10½	10½-10⅞	11⅞-12	11¾-11¼	—	—	—	—	—	—
Two years	—	—	12⅞-13	—	—	—	—	—	—	—

† Local Authority and finance houses seven days' notice; others seven days' fixed. * Long-term local authority mortgage rate nominally three years 13½-13¾ per cent.; four years 14-14¼ per cent.; five years 14¼ per cent. ⊕ Bank bill rates in table are buying rates for prime paper; buying rates for four-month bank bills 9½-9⅝ per cent.; and four-month trade bills 10½-11 per cent. Approximate selling rates for one-month Treasury bills 9¼-9 5/32 per cent.; two-month 9 7/32-9⅛ per cent.; three-month 9 5/16-9¼ per cent. Approximate selling rates for one-month bank bills 9⅜-9¼ per cent.; two-month 9 7/16-9⅜ per cent.; and three-month 9 9/16 per cent.; for one-month trade bills 9¾-10½ per cent.; two-month 9¾-10½ per cent.; and three-month 9¾-10½ per cent.

Finance House Base Rate (published by the Finance Houses Association): 10½ per cent. from May 1. Clearing Bank Deposit Rates for small sums at seven days' notice: 6½ per cent. Clearing Banks Base Rates for lending: 9½ per cent. Treasury Bills: Average tender rate of discount 9.4074 per cent.

BASE LENDING RATES

AFT International	9½%
Allied Irish Banks Ltd.	9½%
Anglo-Portuguese Bank	10 %
Henry Ansbacher	10½%
Banco de Bilbao	9½%
Banco de Jerez	10½%
Bank of Cyprus	‡10 %
Banque du Rhone S.A.	10 %
Barclays Bank	9½%
Barnett, Christie Ltd.	11 %
Bremar Holdings Ltd.	10½%
Brit. Bank of Mid. East	9½%
■ Brown Shipley	10½%
Cayzer, Bowater Co. Ltd.	10½%
Cedar Holdings	10 %
■ Charterhouse Japhet	10½%
C. E. Coates	10½%
Consolidated Credits	12 %
Continental Trade Bk.	9½%
Co-operative Bank	*9½%
Copleys Bank	11½%
Corinthian Securities	9½%
Credit Lyonnais	9½%
G. R. Dawes	10½%
Duboff Brothers	11½%
Duncan Lawrie	10½%
English Transcont.	11½%
First London Secs.	9½%
■ Antony Gibbs	10 %
Goode Durrant Trust	10 %
Greyhound Guaranty	9½%
Grindlays Bank	10 %
■ Guinness Mahon	10½%
■ Hambros Bank	9½%
Hawtin & Partners	13 %
■ Hill Samuel	§10 %
C. Hoare & Co.	†9½%
Julian S. Hodge	10½%
Industrial Bank of Scot.	9½%
Jacobs, Kroll	11½%
Keyser Ullmann	10½%
Kinghurst Securities	12 %
Lloyds Bank	9½%
London & European	11½%
London Mercantile	11½%
Midland Bank	9½%
■ Samuel Montagu	9½%
■ Morgan Grenfell	9½%
Morris Wigram Ltd.	10½%
National Westminster	9½%
Northern Comm. Trust	11½%
Norwich General Trust	10 %
Portman Guaranty	11 %
P. S. Refson & Co.	9½%
Rossminster Accept'es.	9½%
Royal Trust of Canada	10½%
E. S. Schwab	11½%
Security Trust Co. Ltd.	11 %
Shenley Trust	11½%
Standard & Chartered	9½%
Sterling Credit	12 %
Stewart Salmon & Co.	9½%
Thames Guaranty	11 %
Trade Development Bk.	9½%
Twentieth Century Bk.	11½%
United Bank of Kuwait	9½%
Wallace Brothers Bank	10½%
Whiteaway Laidlaw	10 %
Williams and Glyn's	9½%
Yorkshire Bank	9½%

■ Members of the Accepting Houses Committee.
* 7-day deposits 6½%, 1-month deposits 6¾%.
† 7-day deposits on sums of £10,000 and under 6½%, up to £25,000 6¾% and over £25,000 7¼%.
‡ Deposit Base Rate 9½%.
§ Demand deposit 7¼%.

I.G. INDEX
GOLD 160½-163½

CORAL INDEX
Close 305-310

INSURANCE BASE RATES

† Atlantic Assurance	11½%
Cannon Assurance	9 %

† Address shown under Insurance and Property Bond table.

AUTHORISED UNIT TRUSTS

Abacus Arbuthnot Ltd.♥(a)(g)
53, Fountain St., M/C. 061-236 9775/8

Giants	30.2	32.0	-0.3	4.80
♦Giants Accum	31.8	33.7	-0.3	4.80
Growth Units	27.4	29.2	-0.3	4.50
♦Growth Accum	29.0	30.8	-0.3	4.50
Income Units	28.0	30.2	-0.3	8.20
♦Income Acc. Uts	31.0	33.2	-0.3	8.20
♦East. & Intl. Acc	19.3	20.3	......	2.70

Abbey Unit Tst. Mgrs. Ltd.♥(a)(g)
72-80, Gatehouse Rd., Aylesbury. 0296 5941

Abbey Capital	19.6	20.8	-0.4	4.47
Abbey Income	22.1	23.5	-0.5	6.10
Abbey Inv. Tst. Fd.	24.7	26.2	-0.2	3.89
Abbey Gen. Tst.	30.6	32.5	-0.8	4.33

Allied Hambro Group♥(A)(G)
Hambro Hse., Hutton, Brentwood, Essex
01-588 2851 or Billericay (02774) 53169

Allied 1st	46.4	49.6	-1.3	5.39
Brit. Ind. 2nd	44.4	47.5xd	-0.8	6.27
Growth & Inc. Tst.	25.4	27.2	-0.6	5.80
Elect. & Ind. Dev.	21.2	22.7	-0.5	6.24
Met. Min. & C'dty	36.4	38.9	-0.5	5.37
Allied Capital Tst.	47.9	51.2	-1.4	5.74
High Income	40.9	43.7	-0.9	6.67
Equity Income	25.1	26.9	-0.5	7.02
International	23.1	24.7	+0.1	2.10
High Yield Fund	36.1	38.6	-0.8	10.36
H. Fund	70.6	75.5xd	-2.9	5.89
H. Income Fund	34.1	36.5	-0.8	7.49
H. Recovery	72.0	77.0	-1.9	7.60
H. Smaller Co's	15.1	16.2	-0.3	7.15
2nd Smaller Co's	19.2	20.6	-0.4	8.09
H. Accum. Fund	19.0	20.3	-0.4	4.99
Secs. of America	42.5	45.4xd	+0.5	2.98
H. Exempt. June 2	126.2	134.6	......	6.01

Archway Unit Tst. Mgs. Ltd.♥ (a)(c)
24, St. Mary Axe, E.C.3. 01-283 4141

Archway Cap. Fund	86.2	91.7xd	......	4.24
Archway Inc. Fd.	120.8	128.5xd	......	6.49

*Prices at June 18. Next sub. day July 16

Barclays Unicorn Ltd.♥ (a)(g)
Unicorn Hse., 252 Romford Rd., E7. 01-534 5521
35, Castle St., Edinburgh, EH2 031-226 5013

Unicorn America	29.4	31.4	+0.9	2.51
Do. Aust. Acc.	55.6	60.1	......	3.75
Do. Aust. Inc.	46.4	50.1	......	3.75
Do. Capital	49.4	53.6	-1.3	4.47
Do. Exempt Tst.	56.4	58.7	-2.4	6.93
Do. Extra Income	17.9	19.0	-0.5	9.49
Do. Financial	45.3	49.0	-1.3	4.23
Do. 500	42.5	45.5	-1.3	6.90
Do. General	21.5	23.2	-0.4	6.28
Do. Growth Acc.	26.0	28.1	-0.8	4.51
Do. Income Tst.	50.2	53.4	-1.4	7.41
*Do. Prf.A'ns.Tst.	79.3	82.2	......	6.36
Do. Recovery	22.7	24.3	-0.6	5.46
Do. Trustee Fund	77.2	82.1	-2.2	5.53
Do. W'ldwide Tst	44.1	47.2	+0.1	2.93

*Prices at May 29. Next sub. day June 30.

*B'tst. Inv. Fd. Inc.	130.0	134.0	......	6.02
*Do. Accum.	132.8	136.9	......	6.02

Prices at June 20. Next sub. day June 27.

Baring Brothers & Co. Ltd.♥ (a)(x)
88, Leadenhall St., E.C.3. 01-588 2830

Stratton Tst.	142.6	148.6	......	5.21
Do. Accum.	162.8	169.6	......	5.21

Next sub. day June 25.

Bishopsgate Progressive Mgmt. Co.♥
9, Bishopsgate, E.C.2. 01-588 6280

B'gate Pro.* Jne. 24	109.7	116.9xd	-2.7	2.90
Ac'm Uts.* June 24	121.7	129.7	-3.0	2.90
B'gate Int.† June 17	101.6	108.3	......	2.19
Acm. Uts.†June 17	106.2	113.0	......	2.19

Next sub. day *July 8. †July 1

Brandts Ltd.♥
36, Fenchurch St., E.C.3. 01-626 6599

Brandts Cap.	108.0	115.0	......	2.81
Do. Accum.	118.0	125.0	......	1.96
♦Brandts Inc.	104.0	111.0	......	7.91

Next sub. day June 25.

Bridge Talisman Fd. Mgrs.♥ (a)(c)
5-8, Mincing Lane, E.C.3. 01-623 4051

BT Income	168.0	179.0	-2.0	8.48
BT Capital Inc.	26.6	28.4	......	2.31
BT Capital Acc.	26.9	28.7	......	2.31
BT Exempt	83.0	89.0	......	6.03
BT Intl. Inc.	12.7	13.6	......	4.82
♦BT Inter'l Acc.	12.8	13.7	......	4.82

Prices on June 17. Next sub. day June 24

The British Life Office Ltd.♥ (a)
Reliance Hse., Tunbridge Wells, Kt. 0892 22271

BL British Life	36.9	38.9	-0.9	5.65
BL Balanced*	27.9	29.5	-0.7	5.87
BL Capital*	30.0	31.8	-1.1	5.56
BL Dividend*	26.1	27.6	-0.6	10.05

*Prices on June 25. Next dealing July 2.

Brown Shipley & Co. Ltd.♥ (x)(c)
Brown Shipley & Co. Ltd. (x) (c)

Brown Shipley	144.6	149.6	......	6.10
Accum. Units	164.4	169.4	......	6.10

*Prices on June 24. Next sub. day July 1.

Canada Life Unit Tst. Mngrs. Ltd.♥
2-6 High St. Potters Bar, Herts. P's Bar 51122

Can. Life Gen. Dist.	25.6	26.9	-0.5	4.59
Do. Gen. Accum.	28.3	29.8	-0.5	4.59
Do. Inc. Dist.	23.1	24.5	-0.4	8.92
Do. Inc. Accum.	25.6	27.0	-0.5	8.92

Carliol Unit Fd. Mgrs. Ltd.♥ (a)(c)
Carliol Unit Fd. Mgrs. Ltd. (a)

Carliol	57.4	59.9	......	3.46
Do. Accum. Units	63.0	65.5	......	3.46

Next dealing day July 2.

Charterhouse Japhet♥
1, Paternoster Row, EC4. 01-248 3999

C.J. Internat'l	19.4	20.8	......	2.36
Accum. Units	21.4	22.8	......	2.36
C.J. Income	27.4	29.2	......	8.44
C.J. Euro. Fin.	25.0	26.6	......	2.42
Accum. Units	26.6	28.4	......	2.42
C.J. Fd. Inv. Tst.	24.0	25.6	......	3.37
Accum. Units	25.4	27.2	......	3.37

Prices on June 11. Next dealing June 18.

Confederation Funds Mgt. Ltd.♥ (a)
120 Regent St., W1R 6AY. 01-437 9040

Growth Fund	23.3	24.4	......	5.88

Cosmopolitan Fund Managers.
47/57 Gresham St., EC2V 7EP. 01-600 4747/8.

Cosmopoln. Gth. Fd.	16.4	17.7	-1.0	3.51

Coyne Investment Mgmt. Ltd.
72-80, Gatehouse Rd., Aylesbury. 0296 5941

Coyne Growth	22.0	23.1	-0.7	5.45

The Crescent Group.♥(a)(g)
4, Melville Cres., Edinburgh 3 031-226 4931
81, Fountain St., Manchester 061-236 5685

Crescent Growth	17.2	18.2	-0.6	5.25
Cres. Internat'l.	37.5	40.2	......	2.19
Cres. High. Dist.	32.0	34.3	-0.9	7.49
Cres. Reserves	27.1	29.3	-0.7	4.79

Discretionary Unit Fund Managers
22, Bloomfield St., EC2M 7AL. 01-638 4485

Disc'y. In. Jn 13	79.3	84.1xd	......	7.61
Do. 'A' Accum.	96.6	102.4	......	7.61

Drayton Unit Tst. Managers Ltd.
Individual House, 43-45, South Street,
Eastbourne, BN21. 0323 36711

Com. & Gen.	54.4	58.6	-0.3	5.62
Growth	29.3	31.2	-0.4	2.90
Cap.	21.9	23.5	-0.7	3.25
Income	32.2	34.3	-0.9	6.96
Intern.	41.7	44.2	+0.1	2.13

Equities Securities Ltd.♥ (a)(g)
41, Bishopsgate, EC2. 01-588 2851

Progressive	45.8	48.1	-1.2	4.24

Equity & Law Un. Tr. M.♥ (a)(b)(c)
Amersham Rd., High Wycombe. 0494 33377

Equity & Law	42.5	45.2	-1.0	4.54

For, Family Fund Managers see Sun Alliance Fund Management

Framlington Unit Mgt. Ltd.♥
5-7, Ireland Yard, EC4B 5EH. 01-248 6971

Capital Tst.	47.0	50.0	......	5.19
Income Tst.	45.0	47.8xd	......	7.05

Friends' Provdt. Unit Tr. Mgrs♥
7, Leadenhall Street, E.C.3. 01-626 4511

Friends Tst. Uts.	24.7	26.4xd	-0.8	4.82
Do. Accum.	28.7	30.6	-0.9	4.82

G.T. Unit Managers Ltd.♥
16, St. Martins-le-Grand, EC1. 01-600 9461

G.T. Cap. Inc.	56.5	59.0	-3.9	3.50
Do. Acc.	61.3	65.2	-4.4	3.50
G.T. Inc. Fd. Un.	96.2	102.3	-3.4	7.00
G.T. U.S. & Gen.	146.4	155.7	+4.1	1.00
G.T. Japan & Gen.	150.9	160.5	+1.7	1.00
♦Gt. Pens.Ex.Fd.	91.4	95.9	-0.8	3.00

G. & A. Un. Tst. Mgrs. Ltd.♥ (a)(g)
5, Rayleigh Rd., Brentwood. (0277) 227300

G. & A.	21.4	22.9xd	-0.6	5.71

Gartmore Fund Managers♥
2, St. Mary Axe, EC3A 8BP. 01-283 3531

British Trust	31.4	33.8	-1.0	4.64
High Income Tst.	28.0	30.1	-0.4	12.23
(Z)Overseas Tst.	25.7	27.6	+0.5	1.52

Gibbs (Antony) Unit Tst. Mgs. Ltd.
23, Blomfield St., EC2M 7NL. 01-588 4111

(a)A. Gibbs Inc.*	23.6	25.4	+1.8	11.40
(a)A. Gibbs Gth.††	22.3	24.0	-1.0	6.00

Dealing day *Tues. ††Wed.

Govett (John).♥
77, London Wall, E.C.2. 01-588 5620

Stockhldr. Jun. 20	107.1	112.8	......	1.78
Do. Accum. Unit	124.3	130.9	......	1.78

Next dealing day July 4.

Guardian Royal Ex. Unit Mgrs. Ltd.
Royal Exchange, EC3P 3DN. 01-628 8011

(ag) Guardhill Tst.	59.9	62.0	-1.6	5.26

Henderson Administration♥
11, Austin Friars, EC2N 2ED. 01-588 3622

Cabot June 18	61.6	65.5	......	5.00
♦Gross May 23	99.5	104.0xd	......	2.83

Premier U.T. Admin. 5, Rayleigh Road,
Brentwood, Essex. 0277 227300

(g)Australian	36.2	38.7	+0.2	3.58
(g) Capital Accum.	25.6	27.3	-0.2	4.05
(g) European	33.8	36.2	-0.1	3.18
(g) Far East	39.4	42.1	+0.1	1.97
(g)Financial & ITU	23.3	24.8	-0.7	3.84
(g) High Income	29.1	30.8	-0.3	11.88
(g) Inc. & Assets	19.9	21.9	-0.4	7.92
(g) International	22.5	24.8	-0.2	3.57
(g) Nth. American	37.9	40.5	+0.3	2.90
(g) Oil Nat. Res'es	25.3	26.9	-0.2	3.88
(g) Personal Port.	80.2	85.3	......	4.72
Worldwide June 13	62.4	66.5	......	5.68

*For tax exempt funds only.

Hill Samuel Unit Tst. Mgrs.♥ (a)
45, Beech St., EC2P 2LX. 01-628 8011

(b) British Trust	103.5	110.7	-3.2	5.49
(g) Int'l. Trust	28.7	30.6	-0.1	2.71
(g) Dollar Trust	55.2	59.1	+0.9	1.73
(b) Capital Trust	19.6	22.0	-0.5	5.64
(b)Financial Tst.	73.2	78.3	-2.2	4.22
Income	17.6	18.9	-0.6	7.61
(b) Security Trust	35.5	38.0	-1.1	5.57
High Yield Trust	17.5	18.8xd	-0.6	8.98

Intel.♥ (a) (g)
15, Christopher Street, E.C.2. 01-247 7243

Intel. Inv. Fund	69.6	74.9	-1.3	4.76

Ionian Unit Tst. Mngmnt. Ltd.♥
64, Coleman Street, E.C.2. 01-638 5866

*Ionian Foreign**	79.0	84.0	......	3.32
Ionian Growth**	102.0	108.0	......	4.49
Ionian Inc. Fd.†	64.0	68.0xd	......	12.52

*Next dealing July 10. **July 3. †June 26.

Jascot Securities Ltd.♥ (a)(c)
21, Leven St., E'burgh EH3 9LH. 031-228 1421.

Compound‡	20.8	22.0	......	11.17
(Accum. Units)‡	24.6	26.0	......	11.17
8½% Withdrawal‡	21.2	22.4	......	—
Preference†	20.7	21.7	......	15.00
(Accum. Units)†	23.6	24.6	......	15.00
Capital*	16.4	17.4	......	—
Australian*	11.3	11.9	......	7.65
(6% Withdr'l.)*	10.4	11.0	......	—
Sector Leaders††	20.6	21.8	-0.5	3.99
Fin. Property††	14.2	15.2	-0.6	3.03
International‡	28.3	29.9	......	2.30
North Sea‡	19.9	21.0	......	3.21
Commodity**	34.3	36.4	......	8.00
(Accum. Units)**	43.3	45.9	......	8.00
10% Withdrawal**	34.6	36.7	......	—

Deal. ‡Mon. *Tues. ††Wed. †Thurs. **Fri.

Key Fund Managers Ltd.♥(a)(g)
25, Milk St., EC2V 8JE. 01-606 7070

Key Capital Fund	49.9	53.0	-1.5	4.10
♦*Key Exempt Fd.*	69.3	73.7	......	8.39
Key Income Fund	47.9	50.9xd	-1.1	9.35
Key P.I.F.	59.4	62.8	-1.8	4.18

Kleinwort Benson Unit Managers♥
20, Fenchurch St., E.C.3. 01-623 8000

K.B. Unit Fd. Inc.	54.4	59.4	......	4.20
♦K.B. UnitFd.Ac.	61.0	66.5	......	4.20

L & C Unit Trust Management Ltd.♥
The Stock Exchange, EC2N 1HP. 01-588 2800

L&C Unit Tst.	77.8	80.3	......	2.39

Lawson Securities Ltd.♥(a)(g)
63 George St., Edinburgh EH2 2JG. 031-226 3911

*Scots Resources**	69.1	73.1	-1.9	3.70
(Accum. Units)*	69.9	73.9	-1.9	3.70
Gilt and Warrant††	27.3	28.8	-1.1	1.76
High Yield**	105.4	113.4	-0.7	13.20
(Accum. Units)**	114.5	122.5	-0.2	13.20
American Fd.‡	25.5	27.5	+0.6	1.90

*Tuesday. ††Wednesday. **Friday. ‡Daily.

REGIONAL MARKETS

Following the merger last year of U.K. stock exchanges, a selection of the share prices previously shown under regional headings is presented below with quotations on London. Irish issues, most of which are not officially listed in London, are shown separately and with prices as on the Irish exchange.

Albany Inv. 20p	14	......	Gardiner (L.)	63	-2	Shiloh Spinn.	23	......
Ash Spinning	34	......	Graig Ship. £1	470	......	Sindall (Wm.)	43	......
Bertam	17	......	Hallam Sleigh 10p	9	......	Vincent (H.)	25	......
Brady (G.) 'A'	51	......	Higsons Brew.	86	......	**IRISH**		
Bdg'wtr. Est. 50p	£128	-5	I.O.M. Stm. £1	118	......			
Clover Croft	35	......	Holt (Jos.) 25p	185	......	Alliance Gas (£1)	47½	......
Craig & Rose £1	312	......	Kleen-e-Ze	28	......	Carroll (P. J.)	188	-2
Dundee Ice £1	285	......	Lovell's Ship £1	125	......	Clondalkin	50	......
Dyson (R.A.)	31	......	N'thn. Goldsmith	74	......	Concrete Prods.	72	......
Ellis & McHdy.	57	......	P.M.A.	39	-5	Goodbody (£1)	38	......
Evans Fr'k. 10p	30	......	Pearce (C. H.)	50	......	Helton (Hldgs.)	38	......
Evered	13	......	Peel Mills	17	......	Irish Distillers	57	-1
Fife Forge	45	......	Richards 10p	8	......	Irish Wire	40	......
Finlay Pkg. 5p	16	......	Scot&Caledon5p	41	-2	Jacob	45	-4
Frost & Reed 50p	90	......	Sayers 12½p	9	......	Sunbeam	11	......
Gardiner & Sons	11½	......	Shell. Refrshmt	145	-5	Unidare	64	......

JERSEY GENERAL INVESTMENT LIMITED TRUST

The forty-fifth Annual General Meeting of Jersey General *Investment Trust Limited will be held on 10th July, 1975.*

Extracts from the Report and the Statement by the Chairman, Mr. Maurice Letto, accompanying the accounts for the year ended *30th April 1975:—*

		(1974)
REVENUE after tax	£529,438	(£498,856)
Earnings on Ordinary shares	10.85%	(10.18%)
Dividend on Ordinary shares	9½%	(8½%)
CAPITAL		
Total net assets	£15,727,485	(£12,920,259)
Net liquid assets	£929,234	(£1,048,450)
Net Asset Value per Ordinary Share	261½p	(212½p)

In the areas of international trade, economics, currencies, and stock markets, the year ended on 30th April, 1975, proved to be one of the most turbulent in the 44 years since this Company was founded. Confidence evaporated rapidly in world stock *markets and the spectre of increasing inflation grew* ever larger, particularly in the United Kingdom.

In these circumstances it is gratifying, therefore, to be able to report financial results for the Company which show a further *significant* advance over the previous year, both in revenue and in capital value. Indeed, both are at the highest levels in the company's history.

The distribution of investment reflects the action taken by the Board to reduce our South African section which now stands at 21.95 per cent, and to increase the North American content, now at almost 30 per cent. Our overseas portfolio now amounts to about 65½ per cent of the total fund.

OUTLOOK

The outlook for the year ahead remains complex and worrying. In the absence of positive, if unpleasant, government action in the U.K. to combat the excesses of cost inflation it would seem inevitable that sterling is heading for yet another crisis, *which will bring in its wake even higher unemployment and* deepening recession, with further loss of confidence in the U.K. economy. Overseas there are clear signs that the perils of inflation are being brought under control, not least in areas where we have a major proportion of our portfolio, and that the economies of the North American sector in particular can be navigated on to a sound and forward looking course.

The world situation is so fluid that it defies analysis, and makes it virtually impossible to predict the outcome of the current year. However, your Board will continue to be on the alert, both for danger signals and for investment opportunities which present themselves. In the absence of unforeseen circumstances, the increased rate of dividend can at least be maintained.

Copies of the Annual Report can be obtained from the Secretary at the registered office:—

21, Broad Street, Jersey, Channel Islands.

INSURANCE, PROPERTY, BONDS

Welfare Insurance Co. Ltd.
The Leas, Folkestone, Kent. 0303 57333

Cap. Growth Bd.	124.7	—	......	—
♦Exempt Flex Fd.		82.5	......	—
♦Exempt Prop Fd.		71.4	......	—
♦Expt Inv.Tst.Fd.	98.6	—	......	—
Flexible Fund		78.4	......	—
Inv. Trust Fd.	98.8	—	......	—
Moneymaker Fd.		74.5	......	—
Property Fund	73.4	—	......	—

Windsor Life Assur. Co. Ltd.
81, High Street, Windsor. Tel 68144.

Life Inv. Plans	45.7	48.1	......	—
Future Assd. Gth.	(A)82.0	(B)34.0	......	—
Ret. Assd. Pens.	£10.64		......	—
Flex. Inv. Growth	99.6	104.9	......	

OFFSHORE AND OVERSEAS FUNDS

Target Trust Mgrs. (Cayman) Ltd.
P.O. Box 710, Grand Cayman, Cayman Is.

Tgt. Offshore Cay	†0.634	0.667	+0.002	—

Prices at June 25. Next sub. day July 2.

Tokyo Pacific Holdings N.V.
Intimis Management Co. N.V., Curacao.
N.A.V. per share June 16 US$31.64.

Tokyo Pacific Hldgs. (Seaboard) N.V.
Intimis Management Co. N.V., Curacao.
N.A.V. per share June 16 US$23.08

Triumph Oceanic Int. Fnd. Mgrs.
8, Church St., St. Helier, Jersey. 0534 35511

International Fnd.	31.4	33.0xd	......	5.60

*As at June 20. Next sub. day June 27.

Tyndall Group♦ 0272 32241
Hamilton, Bermuda, & St. Helier, Jersey.

O'seas Dis June 18.	$US1.14	1.20	......	6.00
O'seas Acc Jn 18.	$US1.46	1.54	......	6.00
O(Stg)Dist Jn 18.	£7.05	£7.45	......	6.00
O(Stg)Acc Jn 18.	£9.05	9.55	......	6.00
3-way Int. May 22	US$2.27		......	—
Int.Man.Fd. May 30	89.0	93.6	......	—

United States Tst. Intl. Adv. Co.
14, Rue Aldringer, Luxembourg.

U.S. Trust Inv. Fnd.	US$13.07		+0.19	0.92

Net asset value June 23

S. G. Warburg & Co. Ltd.
30, Gresham Street, EC2. 01-600 4555

CMT Ltd. May 28	£10.08	10.86	......	—
Cv. Bd. June 23	US$8.18		+0.03	—
Engy. Int. June 23	US$13.13		+0.04	—
Grsh. St. $Fd. My 30	$US7.36		......	—
TMT Ltd. May 8	£11.46	11.76	......	—

World Wide Growth Management♦
10a, Boulevard Royal, Luxembourg.

World Wide Gth. Fd.	US$12.88		+0.09	—

NOTES

Prices do not include $ premium, where applicable, and are in pence unless otherwise indicated. Yields allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Distribution free of U.K. taxes. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ♦. § Guernsey yield. # Suspended. ★ Single premium insurance bonds.

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

1975 High	Low	Stock	£	+ or −	Yield Int.	Red.
		"Shorts" (Lives up to Five Years)				
99⅛	90¼	Savings 3pc '65-75	99⅛	+1/32	3.03	9.35
99⅜	94¾	Exch. 6½pc 1976	98¼	.....	6.62	9.20
97¼	92⅞	Treasury 6½pc 1976	97⅛	+⅛	6.69	9.14
99	97	Victory 4pc 1976	99xd	.....	4.08	—
102	96⅞	Treasury 10½pc 1976	100⅜	+1/32	10.43	9.94
95	88⅞	Treasury 6¼pc 1977	94⅝	+1/32	6.60	9.63
93	86¾	Electric 3pc '74-77	93	+¼	3.22	7.38
103⅛	96⅞	Treasury 11¼pc 1977	102¼	+⅛	11.25	10.33
88⅛	84	Treasury 3pc '77	87⅛xd	+⅛	3.45	8.92
89⅛	84½	Transport 4pc '72-77	89xd	+⅛	4.49	9.03
96⅛	90½	Treasury 9pc 1978	95⅛	+⅛	9.43	10.94
100⅛	96½	Treasury 10½pc 1978	98⅛xd	+⅛	10.63	10.99
87⅛	79	Exchequer 5pc '76-78	85⅛	+⅛	5.82	10.16
103	91⅛	Treasury 11½pc 1979	100¾	+⅛	11.42	11.21
79⅝	71⅝	Treasury 3pc '79	78⅛	−⅛	3.84	9.35
81	73⅞	Electric 4½pc '74-79	80⅛	+¼	5.30	10.07
100⅛	96	Treasury 10½pc 1979	97⅞	+⅛	10.73	11.10
79⅝	71	Electric 3½pc '76-79	78¼	+¼	4.44	9.56
95	84	Treasury 9pc 1980	93	−¼	9.67	10.92
95⅛	95	Treasury 9½pc '80	95⅛		9.99	10.83
79	68¼	Treasury 3½pc '77-80	76½	+½	4.57	9.54
84½	71	Funding 5¼pc '78-80	80⅝xd	+½	6.51	10.32
		Five to Fifteen Years				
75½	66⅛	Treasury 3½pc '79-81	74⅞	+⅛	4.75	9.74
91½	72⅞	Do. 8¼pc '80-82	85¾xd	+¼	9.86	11.55
104⅛	85⅝	Treasury 12pc 1983	102⅝	+¼	12.08	12.11
78	58	Funding 5½pc '82-84	71¼xd	+½	7.69	10.65
85¼	61⅞	Treasury 8¼pc '84-86	78½xd	+¼	10.76	12.00
73¼	51⅞	Funding 6½pc '85-87	67⅝	+¼	9.75	11.78
76¼	53	Treasury 7¾pc '85-88	68⅝xd	+¼	11.18	12.71
46⅛	32½	Transport 3pc '78-88	42¾xd	+¼	7.07	11.73
55¼	39¾	Treasury 5pc '86-89	51⅞	+¼	9.92	12.55
		Over Fifteen Years				
75½	53¼	Treasury 8½pc '87-90	67⅞	+¼	12.33	13.43
55¼	41⅞	Funding 5¾pc '87-91	52⅞	+¼	11.25	13.17
97½	85⅝	Treasury 12½pc '92	87xd	+½	14.26	14.44
54½	40½	Funding 6pc 1993	50¾	+¼	12.35	13.74
75¼	56½	Treasury 9pc '94	66	+¼	13.84	14.38
34½	24¾	Gas 3pc '90-95	31	+¼	9.82	12.59
102	75	Treasury 12¾pc '95	89½	+½	14.44	14.53
71½	54½	Treasury 9pc '92-96	66½	+½	14.07	14.46
32¾	26½	Redp. 3pc '86-96	30¾	+⅛	10.12	12.52
69½	53¼	Treasury 8¾pc 1997	64½	+¼	14.09	14.48
59½	40½	Treasury 6¾pc '95-98	50	+¼	13.78	14.41
75½	54¼	Treasury 9½pc 1999	66xd	+¼	14.28	14.56
31½	22	Funding 3½pc '99-04	27¼xd	+¼	12.70	13.51
61½	47	Treasury 8pc '02-06	57½	+¼	14.45	14.58
42½	33	Treasury 5½pc '08-12	40¾	+¼	14.28	14.38
59½	43½	Treasury 7¾pc '12-15	52⅝xd	+¼	14.54	14.60
		Undated				
29¼	22½	Consols 4pc	28½	+½	14.93	—

††BANKS AND HIRE PURCHASE

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
22	12	Alderman Sec. 10p	13	−½	13.4	2.1	15.9	4.2
235	135	Alexanders D. £1	180	−7	10.9	—	9.3	—
£114	£67	Algemene Fl 100	£99½	.....	Qh20	1.8	3.5	21.6
400	190	Allen Harvey £1	300	.....	13½	—	6.9	—
142	45	Allied Irish	114	−2	Q25	—	5.5	—
62	14	Anglo Contnl	55	.....	—	—	—	—
185	95	Arbuthnot L. £1	165	−5	7.6	—	7.3	—
430	170	Aust. & N.Z. £1	393	−7	†9.1	—	3.6	—
£57	£21¼	Bank Amer $3 125	£34¾	+½	Q$1.48	—	1.9	—
30	22½	Bk. Hapoalim IL1	30	.....	Qsb9.4	—	2.2	—
520	180	Bk. Ireland £1	450	+5	Q24	—	5.3	—
25	18½	Bk. Leumi Al£1	22	.....	Q16	—	5.3	—
230	180	Bk. Leumi (UK) £1	220	.....	7¼	—	5.2	—
720	370	Bk. N.S.W. $A2	620	+10	Q28c	—	2.6	—
295	104	Bank Scotland £1	235	−3	8.3	3.8	5.4	7.4
£71¼	£20⅝	Bankers N.Y. $10	£28⅝xd	−⅛	Q$3.00	—	3.6	—
325	112	Barclays £1	290	.....	8.3	4.7	4.4	7.0
73	19	Bates (Edward)	56	−2	‡20	2.1	‡	5.2
68	18	Bowring (C. T.)	55	−4	8.4	1.2	5.9	21.2
178	75	Brown Shipley £1	170	.....	6.9	—	6.3	—
9	4	Bryanston	7	.....	‡†d4.4	—	‡	—
24	14	Burston Group	18¢		†13.2	2.4	28.3	2.2
265	110	Cater Ryder £1	223	−2	14.4	—	9.9	—
13	13	Cedar Hldgs. 20p	13¢		‡7	1.5	‡	6.1
285	149	Com'l Aus. ($A1)	240	+5	‡Q14	—	3.3	—
£14⅝	£10¾	Com'zbk DM10	£12¾		Q17	—	2.4	—
£24	£17½	Chsn. Hbk. Kr100	£24	+½	Q11	—	3.7	—
19	8	Corinthian 10p	11		—	—	—	—
£31	£10½	Cred. France F75	£26½	−¼	Q9.7	—	2.4	—
133	133	Dawes (G. R.)	133¢	.....	d2.1	2.9	6.1	8.6
26½	9	Dawnay Day	15	−1	‡4.8	1.3	‡	9.7
70	25	F. C. Finance	35		6.3	—	6.9	—
11	2½	First Nat. 10p	5		10.5	—	32.3	—
5	½	Do. Wrrts. 75-83	1½	−¼	—	—	—	—

INDUSTRIALS—Continued

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
38	20	Johns'n & B.12½p	34	......	d11.7	3.1	6.6	(3.8)
46	20	Johnson Clors.	32	......	8.7	1.6	10.5	9.0
345	120	Johnson Mth. £1	275xd	−10	10.2	ϕ	5.7	ϕ
41	18	Judge Int.	28	−1	7.6	3.6	10.4	4.1
27	14½	Kalamazoo 10p	22	......	16.2	2.7	11.3	5.0
47	20	Kelsey Ind. 12½p	38	......	d19¾	4.7	10.0	3.3
17	9	Kennedy Sm. 10p	16½	......	14.4	1.0	13.4	11.1
870	325	Kershaw (A.) 5p	725	−25	240.1	3.7	2.6	12.5
200	66	Kleeman	195	......	15.6	4.1	3.1	12.3
39	15	Kode Int	27	......	4.9	ϕ	7.0	ϕ
59	24	L.C.P. Hlds.	45	......	11.2	2.3	9.5	6.7
21	11	L.K. Ind. Inv.	17	......	q7.8	ϕ	17.7	ϕ
30	13½	L.R.C. Int. 10p	27	−1	26.7	1.9	15.2	4.8
101	56	Lamson Inds.	81	−1	11	3.5	5.2	7.9
40	30	Lawtex	30	−1	10.3	4.2	13.3	2.2
118	48	Lead Inds. 50p	99	−5	9.4	5.5	7.3	3.6
40	17	Le Bas (Ed)	30	......	5.5	6.9	7.1	3.1
40	15	Leboff Fobel 10p	35xd	−1	§14.8	ϕ	6.7	ϕ
45	19	Lebus Harris	35	......	‡	0.2	8.8	—
21	12	Leigh (L.) 5p	21	......	14.7	5.8	5.4	4.9
71	35	Leisure Car. 10p	69	......	44.2	ϕ	10.3	ϕ
160	99	Lep Group 10p	160	......	23.6	9.4	2.3	5.6
27	12	Lesney Prods. 5p	19	......	15.5	7.0	6.4	2.9
43	13	Letraset 10p	32	−1	12.3	6.8	5.9	3.0
20½	5½	Liden 10p	14	−½	1.7	2.4	1.8	23.2
45	17	Light & Leis. 10p	37	......	g23.6	3.6	10.5	4.5
50	35	Lindsay & Wms.	43	......	12.2	3.6	11.0	3.9
62	28½	Lindustries	50	−2	†15	3.4	11.8	3.6
51	33	Lipton (L.)	46	−2	9.6	3.9	8.0	4.9
47	11	Lloyds Ind. 10p	42xd	......	30	2.0	11.0	7.0
45	15¼	Lon. & Nthn. Sec.	37½	−1½	13	ϕ	14.1	ϕ
15	8	Long Hmbly. 10p	10½	......	11.7	3.8	17.2	2.4
26	19	Longton Trans.	22	......	10.5	‡2.3	18.4	3.6
65	28	Lonsdale Unival	52	−2	14.5	3.3	11.0	4.2
195	82	Low & Bonar 50p	170	−5	16.6	3.8	7.5	5.1
24	14	Lyon & Lyon	16	......	7.6	1.7	18.2	4.9
52	18	MK Refrig'n 10p	35	......	†22	5.0	9.7	3.2
38	18	M.Y. Dart. 10p	30	......	12.8	3.8	6.6	6.1
25	11½	Macanie Ldn. 10p	27xd	......	14.7	ϕ	13.3	ϕ
•55	25	McCorley Ph. 20p	49	......	†15	2.7	9.4	8.0
97	40	Macfarlane Gp.	96	......	§12.5	3.3	6.6	10.5
92	47	McBride Rbt. 10p	86	......	36.8	ϕ	6.5	ϕ
22	12	McCleery L'A.	21	......	6.7	3.2	12.3	3.9
37	14	Macpherson (D.)	28	−3	t8.0	3.9	11.0	4.6
19	10	Md'me Tus'ds 5p	13	......	16.6	2.2	9.8	7.1
55	25	Magn'lia Mfg. 10p	54	......	20.6	6.9	5.9	3.8
60	24	Mngmt. Ag. M. 10p	46	−1	†49¼	3.5	16.3	3.7
235	103	Man. Ship Can. £1	175	−5	11.9	3.1	10.8	4.5
41	18	Marks (A.) 10p	26	−1	33	ϕ	19.5	ϕ
17½	8	Marling Ind. 10p	15	......	g8.9	5.4	9.1	2.9
24	11	Marshall L'xy.	20	......	7½	2.7	14.4	3.9
23	10	Do. 'A'	18	−1	7½	2.7	16.0	3.5
•144	73½	Marshall's Univ.	107xd	−8	24.5	5.7	8.8	2.3
106	45	Martin-Black	95	−2	†16	5.7	6.5	8.4
285	110	Maynards £1	265	−10	15.2	3.5	8.8	5.0
17½	10	Medminster 10p	13	−1	16¾	1.3	19.8	6.2
12	6½	Mentmore 5p	10	−½	15.3	1.2	12.4	10.3
305	117	Metal Box £1	236xd	−20	§12.1	q3.3	8.1	6.7
91	45	Metal Closures	74	−3	12.8	3.9	6.7	5.9
31	12	Mettoy	27	......	7.4	2.8	11.0	4.9
132	80	Miln. Mrstrs. 50p	130	......	11.8	3.0	7.0	7.3
30	14	Mitchell Ty'spt	26	......	10.2	2.3	15.1	3.9
£150	£74½	M'santo 5pc 82-6	£146	+4	Q5	11.9	3.5	—
47	16	Mono Containers	35	−4	8	4.3	8.8	4.1
4	2	Monument 10p	2½	......	—	—	—	—
100	41	Morgan Crucible	74	−4	†17.2	2.2	8.9	6.6
45	20	Moss (Robt.) 10p	32	−3	20.4	ϕ	10.2	ϕ
14	8½	Moritex 10p	13	−1	7	1.9	8.3	8.4
12	8½	MPT 5p	9	......	‡5¼	2.8	‡	12.5
80	17	Myson Gp. 10p	66	−6	35	2.1	8.2	8.4
94	41	Nairn W'ms'n £1	50	−1	4	2.2	12.3	5.6
34	23	Nathan (B. & I.)	30	......	10	1.2	12.8	10.2
62	22½	Nat. C'rb'nsg 10p	42xd	−2	6.5	ϕ	2.1	ϕ
£67	38	N.C.R. 4% 93-98	£67	+1	Q4	29.4	[illegible]	—
42	21	Negretti & Z.	35	−1	10.1	3.2	11.1	3.5
19	6	Neil & Sp'ncer 10p	17	−1	—	—	—	7.1
16	10	New Equip. 10p	13	......	9	3.6	10.7	4.0
102	47	Newey Group £1	94	......	8	2.3	13.1	5.0
39	21	Newton J.M. 10p	32	−2	11.4	4.3	5.5	6.6

INDUSTRIALS—Continued

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
26	18	Witter (Thomas)	21	......	10.5	−1.2	19.3	−6.6
105	47	Wolstenholme	85	−2	24.1	3.2	10.9	4.4
15	13	Wood & Sons 5p	13	......	9.8	3.5	6.1	7.6
13½	7	Wood (Arthur) 5p	11½	......	13.3	3.6	8.9	4.9
13	8	Wood (W.) 10p	11	......	‡8¼	—	‡	—
99	29	Wood Hall	84	−2	T16.1	16.1	7.4	5.4
7¼	4	Yatton Furn. 5p	6½	−¼	46.3	2.3	7.5	9.0
27½	14	Zetters 5p	21	......	17.7	4.5	6.5	5.2

††INSURANCE

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
65	30	Brentnall Bd. 10p	47	......	29.2	3.0	9.6	5.5
154	60	Britannic 5p	134	−2	140	—	8.0	—
970	440	Comb. Ins. Am.$1	830	+10	1Q60c	—	3.1	—
194	72	Comm. Union	156	−8	27.4	—	6.8	—
148	44	Eagle Star	112	−6	18.4	—	6.3	—
186	50	Equity & Law 5p	144	−6	102	—	5.4	—
174	67	Gen. Accident	144	−1	21.6	—	5.8	—
224	83	Guardian Royal	193	−11	b31	—	6.3	—
180	54	Halford Sh'd 10p	175	......	54.4	3.0	4.8	10.9
232	82	Heath (C.E.) 20p	206	−6	30½	3.3	4.6	10.4
152	47	Hogg Robinson	133	−5	14.6	3.0	4.3	11.4
138	30	Howden (A.) 10p	123	−5	21.7	4.2	2.7	13.6
150	48	Legal & Gen. 5p	118	−6	‡87.2	—	5.7	—
125	33	Les. & Gdwn. 10p	107	+2	33.9	2.3	4.9	13.9
143	48	Lon. & Man. 5p	106	−2	87	—	6.3	—
178	63	Matthews Wr. 20p	155	......	36.9	1.6	7.3	12.9
158½	49½	Minet Hldgs. 20p	134	+1	h10.8	4.2	2.5	14.8
240	93½	Pearl 5p	186	−8	192	—	7.9	—
•230	87	Phoenix	194xr	−6	†32.9	—	6.5	—
125	60	Provident "A"	125	......	24.5	—	7.5	—
125	60	Do. "B"	125	......	24.5	—	7.5	—
•142½	52	Prudential 5p	115	−2	†101.4	—	6.8	—
130	48	Refuge 'B' 5p	115	−5	125	—	8.4	—
339	125	Royal	292	−6	50.2	—	6.6	—
250	99	Sedg Forbes 10p	235	+4	†73.2	1.8	4.8	18.2
82	29	Stenhouse	70	−1	12½	2.3	6.9	8.5
•454	175	Sun Alliance £1	392	−11	G15.3	—	6.0	—
93	32	Sun Life 5p	79	−2	†53.4	—	5.2	—
870	575	T'ch. Mar'e. EDR	725	......	Q11	—	0.9	—
140	85	Trade Indem	140	......	25.6	—	7.0	—
£20¾	£14	Travelers $2.50	£20½	......	Q$1.08	—	2.3	—

MOTORS, AIRCRAFT TRADES

Motors and Cycles

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
9¼	5½	Brit. Leyland	9¼	......	‡2	—	‡	—
153	104	Ford (B.D.R.)	240	+2	Q‡12½c	—	3.9	—
183	109	Gen. Mts. Units	169	+1	17c	1.0	4.3	23.9
27	8	Lotus Car 10p	19xd	......	20	ϕ	16.2	ϕ
9	5	Reliant Mtr. 5p	6½	......	—	—	—	—
•67	20	Rolls-Royce Mtrs.	59	−2½	†14	2.9	9.1	9.2
£29¼	£19⅞	Volvo Kr50	£27¼	+1¼	Q12	1.4	2.3	32.3

Commercial Vehicles

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
18	9	Crane Frueh. 10p	12	−2	8.3	7.5	10.7	1.9
45	15	E.R.F. (Hldgs.)	38	......	14.3	2.2	14.5	4.7
15	14	Fodens (50p)	14#	......	6.3	0.2	43.9	—
12	6	Peak Invest. 10p	7	......	—	—	—	—
83	48	Plaxtons	70	......	D23.6	1.9	13.5	6.0
32	11	York Trailer 10p	29	−1	16.4	3.4	8.7	5.2

Components

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
33	14	Abbey Panels	26	......	d10.7	3.5	15.9	2.8
42	33	Airflow Stream.	35xd	−2	15	ϕ	17.5	ϕ
48	13½	Armst'ng Eq. 10p	39	......	16.3	3.7	6.4	6.5
•63	17½	Assoc. Eng'g.	50xr	−3½	b14.6	2.2	11.3	6.5
30	11	Automotive	25	......	6	3.5	9.3	4.7
30	23	Bluemel Bros.	25xd	+1	11.9	1.8	18.3	4.6
10½	4	Brown Bros. 10p	7¼	−¼	5	2.3	9.9	6.8
67	24	Clayton Dew.	50	−2	20.4	1.9	15.7	5.1
117	40	Dowty 50p	106	−1	9.4	2.5	6.8	8.5
59	17	Dunlop 50p	48	−1	6.6	2.7	10.6	5.3
23	10	Flight Refuel'g	17	−1	8.5	2.0	19.3	4.0
24	10	Harmo Ind. 10p	19½	......	13.8	3.1	10.9	4.6
12	7	Hmm Smith 10p	9	......	3.7	4.2	6.3	5.8
29	20	Houchin	27	......	d8	2.7	11.4	5.0
138	37	Lucas Inds. £1	103	−5	5.1	2.7	7.6	5.7
160	72	Stockis Robert	160	......	23.4	5.9	9.4	2.8

MINES

CENTRAL RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£14¾	780	Durban Deep R1	975	......	‡Q116c	ϕ	‡
£14	860	E. Rand Prp. R1	£10¾	+¼	‡Q115c	ϕ	‡
105	55	Rand Leases 2½c	61	−2	—	—	—
£34½	£22	Randf'tn Est. R2	£29½xd	−¾	—	—	‡
500	260	West Rand R1	330xd	......	‡Q40c	2.3	‡

EASTERN RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
370	235	Bracken R1	282	−1	†Q51c	1.2	11.7
23	13	Daggafontein 50c	16	......	—	—	—
105	60	East Dag R1	75	+5	‡Q25c	ϕ	‡
140	140	Grnt. Areas 5c	140‡	......	—	—	—
380	210	Grootvlei 50c	260	......	‡Q32c	1.1	‡
820	410	Kinross R1	690	+10	†Q50c	1.5	4.7
198	107	Leslie 50c	139	−2	†Q22c	1.6	10.2
550	325	Marievale 70c	440	......	‡Q84c	1.1	‡
725	380	S. African Ld. 35c	550	......	‡Q85c	1.2	‡
265	175	Vlakfontein R1	200	......	Q30c	ϕ	9.9
£13¼	840	Winkelhaak R1	£12	+½	†Q94c	1.2	4.9
120	65	Wit. Nigel 25c	67	−1	Q1c	10.9	0.7

FAR WEST RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£11	680	Blyvoor 25c	£10⅞	+⅛	Q100c	ϕ	4.3
£22½	£17	Buffels R1	£20⅞xd	−¼	Q150c	ϕ	5.6
£14¼	920	Doornfontein R1	£12¾	......	Q110c	ϕ	5.7
£12¾	725	East Drie R1	£11⅝	......	Q65c	ϕ	5.7
£12½	725	Do. Comb. Units	£11⅝	......	—	—	—
450	295	Elsburg R1	405	+5	†Q45c	1.2	7.4
£31	£16	Hartebeest R1	£26½	......	Q215c	ϕ	5.3
£13¼	815	Kloof Gold R1	£11¾	+¼	Q55c	ϕ	3.1
£17¼	875	Libanon R1	£13¼	−¼	Q110c	ϕ	5.4
£13¾	960	Southvaal 50c	£11⅝	−½	Q9c	ϕ	0.5
480	340	Stilfontein 50c	390xd	−5	‡Q45c	1.3	‡
£33¼	£21	Vaal Reefs 50c	£29¼	......	‡Q120c	1.7	‡
£11½	650	Ventersport R1	£10	−½	Q70c	ϕ	3.9
£55	£34	W. Drie R1	£50¼	......	Q425c	ϕ	5.1
745	450	W'st'n Areas R1	625	−5	†Q70c	1.4	7.4
£23	£15	Western Deep R2	£21½	−¼	[illegible]	ϕ	4.8
520	295	Zandpan R1	475	+10	Q55½c	ϕ	4.9

O.F.S.

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
400	290	Fr. State Dev. 50c	335	......	†Q12c	1.8	2.3
£32½	£21	F.S. Geduld 50c	£30	......	[illegible]	1.1	5.8
960	550	Harmony 50c	820	+5	Q77c	ϕ	6.0
575	320	Loraine R1	395	......	Q12c	6.7	2.0
£28¼	£19½	Pres. Brand 50c	£24½	......	[illegible]	1.3	6.5
£25¾	£14½	Pres. Steyn 50c	£16¼	......	[illegible]	2.0	4.7
£39¾	£21½	St. Helena R1	£31⅞	−½	[illegible]	1.3	4.7
340	210	Unisel	276	+2	—	—	—
525	370	Welkom 50c	435	+5	†Q55c	1.6	3.1
£40	£27¼	W. Holdings 50c	£37	......	[illegible]	1.1	7.7

FINANCE

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
520	313	Ang. Amer. 10c	455	+5	Q29c	2.0	3.9
£45½	£27½	Ang. Am. Gold R1	£42½	......	[illegible]	1.4	3.8
£16¼	850	Ang-Vaal 50c	[illegible]	......	[illegible]	[illegible]	3.8
205	87	Charter Con.	175xd	−3	24.8	2.3	[illegible]
290	188	Cons. Gold Field	246	−4	[illegible]	4.5	[illegible]
32	17	E. Rand Con. 10p	24	......	9¼	1.4	[illegible]
380	230	Geduld Inv. R1	380	......	Q34c	0.4	5.3
£38¾	27½	Gen. Mining R2	£36	......	[illegible]	2.1	[illegible]
£39	£24⅞	G. Fields S.A. 25c	£37¼	−¼	[illegible]	1.5	[illegible]
£27	£11¾	Joburg Cons. R2	£26	......	†Q135c	2.1	[illegible]
480	260	Middle Wit 25c	400	......	28	ϕ	[illegible]
300	184	Minorco SBD1.40	283	−3	‡Q30.2	1.1	[illegible]
275	160	New Wit 50c	250	......	†Q24c	1.3	[illegible]
£10¾	760	Patino NV Fls.5	925	+5	[illegible]	10.5	[illegible]
£11	730	Rand Selection 50c	£10½xd	−½	†Q70c	1.6	[illegible]
695	322	Selection Trust	560	−5	†156	1.6	[illegible]
450	255	Sentrust 10c	365xd	−5	Q20c	2.3	5.0
81	27	Silvermines 2½p	52	−4	aJ6.0	1.6	7.7
170	130	SW Africa 20p	160	−5	S8¼	2.0	7.1
£14½	560	Tvaal. Cons. Ld. R1	£14xd	+½	†Q55c	1.5	[illegible]
475	250	U.C. Invest R1	435	......	Q36c	1.2	5.3
560	390	Union Crp 62½c	515	......	Q42c	1.6	[illegible]
£23	13½	Vereeniging R2	£23	......	[illegible]	ϕ	[illegible]
88	30	Vogels 2½c	85	+2	Q6c	1.0	4.7

MISCELLANEOUS

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
61	17	Charterhall 5p	56	−1	—	—	—
115	75	Colby Mines $1	75#	......	—	—	—
760	360	Cons. Murch. 10c	720	−10	‡Q130c	2.2	‡
53½	29½	Lauraris	39½	+1	—	—	—
19	13	NRD $1	15	......	—	—	—
375	200	Northgate C$1	265	+10	Q65c	1.0	9.9
211	80	R.T.Z.	176	−4	19.9	4.4	4.4
135	47½	Sabina Inds. C$1	87½	+1	—	—	—
70	51	Stanford Mines 8	67	......	—	—	—
£12½	875	Taro Expln. $1	£10⅞	+⅛	—	—	—
75	38	Yukon Cons C$1	60	......	—	—	—

NOTES

Unless otherwise indicated, prices are in pence, denominations are 25p and dividends are in net percentage terms. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to corporation tax of 52 per cent. and ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- A Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ϕ Figures or report awaited.
- †† Banks and Insurance: reserve allocations may preclude calculation of dividend cover.
- ‡ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ‡ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Based on 1973 profits.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ♣ Regional price.
- ǁ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. M Figures based on prospectus or other official estimates for 1973-74. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

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FINANCIAL TIMES
Wednesday June 25 1975

Rise forecast for motor premiums

BY ERIC SHORT

U.K. MOTOR insurance premiums are bound to rise substantially again this year warned Mr. Aongbais Macdonald, chairman of the British Insurance Association. He was speaking at the annual press conference on the 1974 results of British insurance companies which he said were the most disastrous ever for the underwriting sector.

Motor insurers had to take acount of the effect of inflation on the costs of repairs and claim settlements in fixing their premium rates, he said. Last year garage charge rates rose by 29 per cent. and spare part prices by 36 per cent. He could give no indication of the size of similar prospective increases, but added that at current inflation levels insurers were reviewing rates every six months. Unless conditions improved, rates could be increased every month.

Motor insurance in the U.K. did not make a lot of profit for the insurance industry. Last year, underwriting profit was a marginal £1.9m. on a premium income which rose by 10 per cent. to £507m. This contrasts with the exceptional results of 1973, when a profit of £12.4m. was made, the first profit recorded in five years.

Overall, the members of the BIA incurred a record underwriting loss of £115m. in 1974 on their worldwide general insurance business—3.4 per cent. of premiums—compared with a profit of £19m. in the previous year. This loss was offset by investment income of £377m., resulting in an overall profit for general insurance of £262m. before tax.

Mr. Macdonald pointed out that this amount was insufficient to finance growth arising from inflation and that solvency margins could again come under pressure unless there was a return to worldwide underwriting profitability.

The experience in all territories was well down on the previous year. In the U.S., British companies recorded a turnround in profitability with underwriting losses of £44.3m.—38 per cent. of the total—against a positive balance of £5.7m. in 1973. Severe windstorm damage and poor liability experience were two dominant factors in this change.

The results in other overseas territories deteriorated, with overall losses in 1974 of £52.3m. on fire and accident classes and £41.6m. on motor business. The unprecedented natural disasters in Australia, including Cyclone Tracy which flattened Darwin and the Queensland floods, were significant factors in the results.

The picture in the U.K. was a little brighter. Despite the Flixborough disaster last June, involving damage estimated at £36m., fire and accident business contributed a profit of £21.4m., but this was still less than half the 1973 profit of £44.7m.

Two other dominant factors constributing to the poor results were the worldwide inflation levels and the controls imposed on certain insurance operations resulting in rate increases being patchy and insufficient to cover the claims.

Mr. Macdonald said he did not expect much improvement in the overall results for this year. The effects of the remedial action being taken by insurance companies would take some time to be reflected.

Support

Mr. Macdonald attacked those critics of the insurance industry who claimed that institutional investors were indifferent to the investment needs of industry and commerce. There had been substantial support for "Finance for Industry" and for the flood of rights issues made this year, he said. In conditions of high inflation and the uncertainty created by the Government's policies it should not be surprising that industry questioned their ability to secure an adequate return on long-term projects.

The situation would not be cured by a National Enterprise Board nor by State direction of investments. It would be far more sensible if the Government recognised that it was profits which enabled industry to grow and made the existing system work.

Arbitration bid halts Chrysler lay-offs

BY OUR LABOUR CORRESPONDENT

THE LAY-OFF pay dispute which looked like bringing Chrysler's entire U.K. car production to a halt, making many of its 20,000 assembly workers idle in the process, is to go to arbitration.

Chrysler yesterday suspended plans to begin laying-off workers from its Ryton, Coventry, Avenger plant which were to have been followed to-day by lay-offs at the Imp and Hunter plant at Linwood in Scotland.

This move was to allow talks between officials of the Advisory, Conciliation and Arbitration Service and shop stewards representing the 340 workers on strike from Chrysler's Coventry plastics subsidiary for the past two and a half weeks.

After four hours of talks between TGWU full-time officials, the stewards and ACAS conciliation officers, it was announced that there would be further talks with the company aimed at fixing a date for arbitration.

Earlier in the day the strikers received a company letter appealing to them to allow the issue to go to independent arbitration.

It said that an arbitrator could decide whether the strikers should receive payment for five days lost during the recent strike at the Stoke engine factory, Coventry, and also whether money should be paid for the strike period.

The issue hinges on the interpretation of the plant's lay-off and short-time agreement, with the stewards claiming throughout that they had a just claim to payment for both the lay-off and strike period.

The management refused to accept a pre-condition to any arbitration move that they should first agree to pay for the strike period — "the grieving period" as the shop stewards termed it.

● Talks aimed at averting a total shutdown of British Leyland's Triumph plants in Coventry from Monday adjourned last night with "some progress made" but little cash improvement on the company's 17-17½ per cent. pay offer.

The talks—the final stage of disputes procedure—will resume this morning. Later to-day union officials and shop stewards will be meeting Rover management in a similar bid to head off industrial action threatened by 10,000 workers at nine plants in the Midlands and Cardiff.

Weather

U.K. TO-DAY

WARM and sunny in most places. Cloud or drizzle in N.W. Scotland, Wales and N. Ireland.

London, S.E. England,

Sunny periods. Wind N. moderate. Max. 21C (70F).

E. Anglia and E. England

Cloudy. Drizzle near coast. Sunny later inland. Wind N. to N.W. light. Max. 18C (64F), cooler on coasts.

E. and W. Midlands and Cent. N. England

Variable, sunny periods. Wind N. light. Max. 23C (73F).

Cent. S. and S.W. England and S. Wales

Sunny periods. Wind N. light. Max. 24C (75F).

Lakes, Is. of Man, S.W. Scotland, Glasgow, N. Ireland

Cloudy. Perhaps drizzle later. Wind becoming S.W. light. Max. 18C (64F).

N.E. England, Borders,

Variable, sunny. Wind becoming S.W. light. Max. 20C (68F).

Aberdeen, Cent. Highlands,

Sunny intervals. Wind S.W. moderate. Max. 19C (66F).

N. Wales and N.W. England

Rather cloudy. Sunny. Wind variable or W. light. Max. 19C (66F).

Outlook for Thursday and Friday: Little change.

Lighting up: London 20.21; Manchester 20.42; Glasgow 21.07.

Pollen count: London 56, high. Forecast: higher.

BUSINESS CENTRES

		Y'day Mid-day				Y'day Mid-day	
		°C	°F			°C	°F
Amstrdm.	F	22	72	Luxembrg.	C	21	70
Athens	S	34	93	Madrid	S	30	86
Bahrain	S	35	95	Manchstr	C	17	63
Barcelona	F	24	75	Melbourne	C	12	54
Beirut	C	26	79	Milan	S	27	81
Belfast	S	16	61	Montreal	C	26	79
Belgrade	S	31	88	Moscow	F	19	66
Berlin	T	21	70	Munich	F	21	70
B. Aires	S	16	61	Newcastle	C	14	57
Birmghm.	F	21	70	New York	H	23	73
Bristol	S	24	75	Oslo	S	21	70
Brussels	R	18	64	Paris	C	16	61
Budapest	F	29	84	Perth	R	14	57
Cairo	S	31	68	Prague	S	28	82
Cardiff	S	23	73	Reykjavik	R	8	46
Cologne	F	21	70	Rio de J'o	S	24	75
Copnhagen	S	24	75	Rome	S	24	75
Dublin	S	17	63	Singapore	S	29	84
Edinb'rgh	S	15	59	Stockholm	F	23	73
Frankfurt	C	21	70	Strasbourg	C	21	70
Geneva	S	22	72	Sydney	S	17	63
Glasgow	S	19	66	Tel Aviv	S	26	79
Helsinki	F	22	72	Tokyo	C	24	75
H. Kong	S	31	87	Toronto	C	23	73
Jo'burg	S	20	68	Vienna	S	27	81
Lisbon	S	22	72	Warsaw	S	25	77
London	S	24	75	Zurich	F	20	68

HOLIDAY RESORTS

		Y'day Mid-day				Y'day Mid-day	
		°C	°F			°C	°F
Ajaccio	S	24	75	Las Plms.	S	23	73
Biarritz	C	18	64	Locarno	S	25	77
Blackpool	S	18	64	Majorca	S	27	81
Bordeaux	C	22	72	Malaga	S	26	79
Boulogne	C	14	57	Malta	S	29	84
Casablnca.	F	22	72	Nairobi	S	24	75
Cape Tn.	S	20	68	Naples	S	26	79
Corfu	S	27	81	Nassau	C	30	86
Dubrovnik	S	28	82	Nice	S	22	72
Faro	C	22	72	Nicosia	S	27	81
Florence	S	24	75	Oporto	F	22	72
Funchal	F	25	77	Rhodes	S	30	86
Gibraltar	S	28	82	Salzburg	S	23	73
Guernsey	S	20	68	Tangier	C	28	82
Innsbruck	F	25	77	Tenerife	S	19	66
Inverness	S	16	61	Tunis	S	30	86
I. of Man	S	16	61	Valencia	S	25	77
Jersey	S	18	64	Venice	S	29	84

F—Fine. S—Sunny. R—Rain. T—Thunderstorm. C—Cloudy. H—Hazy.

Special advance mortgage ceiling lifted to £20,000

BY MICHAEL CASSELL

LARGER MORTGAGES from building societies should become more easily available as a result of a Government decision announced yesterday.

Mr. Edmund Dell, the Paymaster General, told the House of Commons that the Government intended to alter an existing ruling under which only 10 per cent. of a society's total mortgage advances in one year can be allocated to individual loans exceeding £13,000. A draft order has now been laid before Parliament to increase the "special advance" limit to £20,000.

The date on which the new ruling will take effect depends on the time Parliament takes to approve the draft, as it will be implemented from the beginning of each society's first financial year following approval.

For at least two of the largest societies, this means larger loans should become more easily available—providing funds are plentiful—from October. The remainder of the movement will be in a position to offer bigger mortgages from January 1 next year.

The existing £13,000 ceiling was raised from £10,000 in 1971, since when average house prices have doubled. Requests for a further increase have been made on several occasions, but both the Labour Government and the last Conservative administration have been reluctant to act because most societies have come nowhere near to using up their full 10 per cent. allocation of special loans.

The Labour Government has, in particular, been slow to take any action seen to favour people who could afford to buy more expensive properties. It has, however, now accepted the case that the increase in property prices since the special limit was last raised has meant that a £13,000 loan should, in a growing number of cases, not be treated as anything "special." The Government also appreciates that, while much of the emphasis is rightly being put on help for the first-time buyer, the housing market as a whole will be seriously disrupted if higher-priced homes are not kept within reach of potential buyers.

Full quota

The effect which the new ruling will have on societies' lending attitudes is hard to gauge. Most major societies have only been committing an average of 4 or 5 per cent. of total advances in loans exceeding the present special limit, with the average mortgage still under £7,000.

Societies were nevertheless generally in agreement last night that the raising of the limit to £20,000 should encourage them to step up their present level of larger mortgage advances when funds for lending are readily available.

Mr. Reg Freeson, Minister for Housing and Construction, yesterday denied that the Government was thinking of cutting tax relief for home buyers. Last week Mr. Anthony Crosland, Secretary for the Environment, said that if housing finance was to be reviewed, with rent increases a certainty, then the private sector should also be considered.

His comments were widely interpreted as meaning that if subsidies to council house tenants were to be cut, then tax relief on mortgages might also be affected, but Mr. Freeson was at pains to point out that "there was no truth whatsoever" in such conclusions.

● Mr. Crosland yesterday told representatives of local authority associations that the Government proposed a further payment of £231m. towards pay and price increases which had taken place since the original Rate Support Grant settlement in January 1974.

This additional sum represented 60.5 per cent. of the total allowable expenditure of nearly £400m. and was the same grant percentage as was applied to the relevant expenditure in the original Rate Support Grant Order.

AUEW leaders vote Boyd off TUC general council

BY CHRISTIAN TYLER, LABOUR STAFF

MR. JOHN BOYD, recently elected Right-wing general secretary of the Amalgamated Union of Engineering Workers, is set to lose the seat on the TUC general council which he has held for eight years. The union wants his place to be taken by Mr. Reg Birch, a former Communist and now leader of Britain's far-left vestigial Maoist Party.

This was the decision of the six-man executive council of the engineering section of the AUEW meeting here yesterday to consider the union's three general council nominations to the TUC annual congress in September when the council is elected.

Afterwards, Mr. Boyd was clearly furious at the decision. He said it was "dastardly action by those responsible" and "an insult to the membership."

"What intelligent trade unionist is going to vote for a Maoist for the general council," he asked. He said he had been stripped of his position because of jealousy and ideology.

A member of the section's executive for 22 years until he became general secretary, Mr. Boyd said: "I gave up my job to help the union in its administrative difficulties. I am the only man who can get them out of the mess."

Describing the decision as a "humiliation" he said that he would have become chairman of the TUC in four years time.

But other members of the executive claimed that the decision was not a political one. It merely followed union custom which dictates that the general secretary does not have a seat on the general council. Mr. Birch was nominated because he is next in line in terms of seniority, even though he is a political maverick.

It came as a surprise, too, that Mr. Birch, a noted critic of the TUC and of the Establishment generally, accepted the nomination. Voting was four to two, with moderates Mr. Arthur Hearsey and Mr. Bill John supporting the case of Mr. Boyd, who himself does not have a vote now he is general secretary.

The other two general council seats allotted to the engineering section are held by Mr. Hugh Scanlon, president of the union, and Mr. Len Edmondson, the senior executive member. Both were re-nominated.

Despite the remarks of the shocked and angry Mr. Boyd, Mr. Birch seems certain to be elected barring a concerted move by other unions to oppose him in September.

Mr. Boyd, while gaining the general secretaryship on a postal ballot (source of another political row inside the union) has in the process forfeited his seat on the executive, his secretaryship of the craft unions committee in British Steel—and now his general council seat. The object of the Left-wing of the union is to reduce him, after years as an active Right-wing force in policy-making, to a solely administrative function.

The previous general secretary, Mr. Jim Conway, who was killed last year in the Paris air crash, was not on the TUC general council nor were any of his predecessors. But, Mr. Boyd argued, neither did they sit for 22 years as he has on the union's executive committee, but came up via the back-room staff.

He said he would not be seeking election to any other key union body open to him—the standing orders committees of the TUC and of the Labour Party, or the Labour Party executive—although Mr. Conway served on these bodies, and was chairman of the TUC committee.

"I did all that years ago: it would be like a craftsman going back to be a labourer," declared Mr. Boyd.

The union has no representative on the Labour Party's national executive at present, but nominations will go forward shortly and the Right-wing can be expected to counter-attack vigorously.

Benn clash with Tories over State oil role

By Ray Dafter

MR. ANTHONY Wedgwood Benn, the new Energy Secretary, yesterday angered Opposition MPs when he outlined the Government's plans for the proposed British National Oil Corporation.

He said the Corporation would operate commercially when working as a partner with existing licensees. The point was seized by Conservative MPs who wanted to know if BNOC would act commercially when operating on its own.

Mr. Patrick Jenkin "shadow" Energy Secretary, speaking to the standing committee on the Petroleum and Submarine Pipelines Bill, called the additional phrase "a very interesting gloss" on previous Government policy statements.

Mr. Wedgwood Benn replied that to take initial operations "to the point that only commercial considerations apply, is to move us into a dream world." Oil companies were concerned with long-term success, and that was how they interpreted commercial considerations. It could be necessary to have a loss leader to establish a company in a new market.

Commercial considerations were not necessarily the only basis on which a great nation should seek to defend its own resources.

Mr. Wedgwood Benn's indication that the BNOC may not be tied strictly to commercial considerations brought sharp comments. Mr. Jenkin said they bode "extremely ill" for the future of BNOC.

The exchange arose during a debate on a Conservative amendment which would have made it the duty of the BNOC not to show undue preference, to or exercise discrimination against, any person in the supply and price of petroleum. The amendment was defeated by 14 to 11.

BSC says economy drive is failing

BY LORELIES OLSLAGER, LABOUR STAFF

BRITISH STEEL Corporation yesterday told trade union representatives that its order books and cash flow position are worsening and that the economy drive agreed with the unions last month had to be stepped up.

The message was delivered to the TUC steel committee in London as leaders of the 5,000 men who have been on strike at the giant Port Talbot works in Wales for the past week agreed to a resumption of work this afternoon after the company had offered to make some concessions to meet their grievances.

In the discussions with the TUC steel committee, BSC said liquid steel making was now running at an annual rate of 10m. tons below capacity. Output had dropped from 18m. tons at an annual rate in May to 17m. tons now.

Management representatives made the point that there had not been enough requests for voluntary redundancies in the wake of the six-point cost saving agreement hammered out with the unions as an alternative to the corporation's plans for losing some 20,000 men this year.

Absenteeism, which the unions had promised to deal with, was still presenting problems and was forcing BSC to keep men on the payroll simply in order to be available as stand-ins.

Unacceptable

In stressing its difficulties, the corporation did not propose economies in excess of the six-point agreement, union leaders said, although some of them thought they had detected veiled hints that this could be a possibility later.

The union delegates pointed out that in their view the corporation had not fully exploited the possibilities offered by the cost-saving plan. For example, there had been cases where requests for voluntary redundancy had been turned down.

The unions complained, however, that some local managements had tried to cut costs in a way that meant an unacceptable loss of income for manual producion workers.

One such economy measure, the abolition of week-end shift work, had helped to cause the Port Talbot strike. This was of particular concern to the biggest manual trade union involved, the Iron and Steel Trades Confederation, which held separate talks on the dispute with BSC yesterday morning. During these, a formula was agreed under which the loss of income—which the workers complained could amount to £20 a week—would be reduced by about one third.

There will be local negotiations on the other Port Talbot grievance, the failure by management to introduce a work measurement incentive. On the basis of these two arrangements the strike was called off last night.

The ISTC had been prepared to make the stoppage official if no agreement had been reached and this would have meant a major confrontation with the corporation. But ISTC has got no satisfaction in its current pay negotiations with BSC, which will continue on Thursday. So far, BSC is offering a 13 per cent. pay rise for the remaining seven months of the year in reply to the union's claim for 30 per cent. for the coming 12 months, plus a continuing threshold arrangement.

Scillies divers find 55 guns

A TEAM of divers, led by Mr. Roy Graham, has discovered 55 18th Century iron cannon off the Bishop's Rock in the Scillies.

Mr. Rex Cowan, leader of the expedition, believes that the cannon belonged to the Eagle (1,009 tons), one of Admiral Sir Cloudesley Shovel's warships which sank in 1707.

THE LEX COLUMN

Allied Breweries past the worst

Index fell 8.5 to 310.3

The main message of the recent results from the major brewers has been that there should be a definite recovery in profits during the summer—and Allied Breweries is no exception. For the winter period, however, it shared the problems of the rest of the sector: its pre-tax profits were 7½ per cent. down at £34m. for the 32 weeks to mid-May—compared with a 13 per cent. drop in the first half at Bass. Allied's beer profits were up—which reflects a marginal gain in market share and the fact that the brewers now at last seem to be making the best of the price code, and its relaxations. On the important wines and spirits side (possibly a third of profits) trade was reasonably good up to Christmas, but has generally been flat since then with the exception of the little spree around the Budget.

Allied points out however that the main problems here have been in the higher priced wines, notably clarets, and elsewhere trade has been, though patchy, "not all that bad" with port, for example, holding up well. This side is much less important in the summer months, and the key is beer sales which are quite buoyant in response to the warm weather and high rate of wage increases. Moreover, the growth in finance charges should be lower in the rest of the year than the 50 per cent. jump to £8.7m. in the first 32 weeks.

So, overall, Allied hopes that all the earlier profits decline should be recouped in the last 20 weeks to give a full year pre-tax total similar to last year's £59m. At 65p, the yield of 7.4 per cent. is above the sector average. But there is bound to be rights issue speculation since debt is likely to increase above last year's 55 per cent. of shareholders' funds, though there are still undrawn facilities of over £40m. The other question mark for both the company and the sector is that brewing seems an obvious victim of any tightening in the price code.

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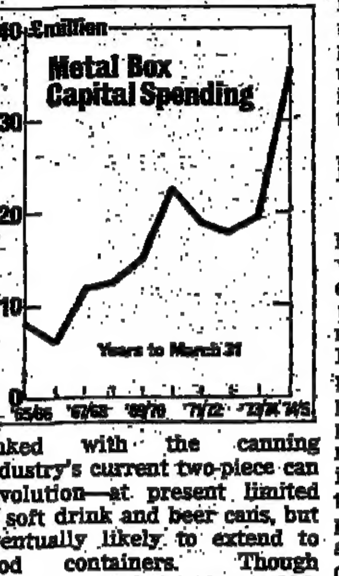
Metal Box

Capital spending has been on an increasing trend over the years at Metal Box and after peaking at £35.5m. last year it will still run at around £28m. in the current period. In fact, the group managed to keep its overdraft almost unchanged at £37m. in 1974-75, with total effective cash flow (including £12.3m. of deferred taxation) running at £39m. while working capital requirements were contained, it would seem, partly through close control of debtors. But it is no real surprise that MB is launching a £24m. rights issue—of 1-for-4 at 210p—with, for shareholders, the fillip of an above-average dividend rise which takes the post-rights yield to just over 8 per cent. after the 20p share price fall yesterday to 236p.



The burst of spending is linked with the canning industry's current two-piece can revolution—at present limited to soft drink and beer cans, but eventually likely to extend to food containers. Though cheaper to make (using a fifth less metal, for instance) two-piece cans require £2½m. of investment for each production line—MB will soon have six running in the U.K.—and in more competitive markets like the U.S. the changeover is causing existing equipment to be prematurely written off. For its part, MB is hoping that margins on beverage cans will now improve, although in the long run it is hard to see what it can really gain as long as any form of price or margin control persists. With the group facing an immediate demand recession in any case, the market is treating the shares fairly cautiously.

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Insurance

The big increase in short term industrial debt last year put pressures on the borrowing limitations imposed under the trust deeds of many existing loan stocks—and that, according to the British Insurance Association's annual report, led to a "very large" number of cases where its Investment Protection Committee was asked to agree to some relaxation. The committee believes that if stockholders accept an additional risk there should be compensation at market rates. Moreover, in other cases stockholders have been asked to indulge breaches of trust deed to avoid liquidation, and the committee suggests that the risk of ultimate loss should be compensated by some form of equity participation — possibly via a convertible element or warrants. The general problem has, however, eased in the last few months thanks to stock appreciation reliefs and the series of rights issues. Meanwhile, the BIA is not expecting a significant improvement on last year's overall underwriting loss of £115m. and is talking about a bigger loss in the U.S.

Dawson Intl.

Back in February, Illingworth Morris put the problems of the wool textile trade into clear enough perspective with profits two-thirds lower for the six months to September; Dawson International now makes the point that matters have not improved in the intervening period. For a second six months to March, Dawson has incurred losses of £470,000 pre-tax leaving the group with profits of just £500,000 overall, against £6.2m. at the peak of the cycle in 1973-74.

However, much of this setback can be attributed to what Dawson describes as "substantial" write-downs of stock with the group absorbing the fall in the wool price over the past year directly into the p and l; while the fact that Dawson has dipped confidently into its reserves in order to maintain the dividend is a clear pointer to some kind of profits recovery this year. The group is currently in the black, and stock reductions have released enough working capital to drop net borrowings from a peak of £10m. to around £5m. at the year-end. Against this net worth stands at £10½m.

Wool prices have now stabilised and Dawson reckons its order books in areas like spinning are the best seen for nine months. But knitwear remains a problem especially at the cashmere end. The dividend news put the "A" shares up 1p to 21p yesterday; but Dawson still needs to return something like £1.3m. pre-tax this year if it is to start covering the present 22 per cent. yield.

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Wilson

doing worse than most of its competitors. "As things look now, if we don't pull ourselves together, prices in Britain this year look like rising at least twice as fast as in most other countries like our own.

"If we let things go on like this, unemployment will go shooting up and the Government will be powerless to do anything about it. The progress we have made in world trade will be wiped out. Worst of all, we could be forced to go cap in hand for help to foreigners who might refuse to help us unless we took savage action to raise unemployment higher still."

But in his broadcast, the Chancellor did not give any encouragement to those who have been urging the Government to produce a package of slashing cuts in public expenditure.

Mr. Healey said that one could not open the newspapers nowadays without finding someone or other "screaming at you with some new patent cure for inflation. The trouble is that all the cures are different. Put millions of people out of work and keep them on the dole for years—that's the favourite with the new lot (of our political opponents).

"They want savage, indiscriminate and immedite slashes at spending on council houses, schools and hospitals. But they don't explain how they will bring down the price of your groceries or when.

"They don't explain what you do when you find there is no doctor to carry out your urgent operation, and no teacher to educate your children."

Mr. Healey also dismissed those Conservatives who said the Government should fight a pitched battle with the trade unions the way they did just over a year ago. "They are desperately unhappy that we are not facing a rail strike this week. That isn't the answer, either."

With an eye on to-day's TUC General Council meeting, he said that in the next few weeks the Government had to cement the co-operation of every person in the country—and above all from both sides of industry—into a solid foundation for the nation's revival.

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